

CHINA LOOKS FORWARD

THE HONG KONG COMPANY

HONG KONG

China Looks Forward

SUN FO

with an introduction by

LIN YUTANG

THE JOHN DAY COMPANY
NEW YORK

All rights reserved. This book, or parts thereof, must not be reproduced in any form without permission.

Second Impression

IMPORTANT

Government wartime restrictions on materials have made it essential that the amount of paper used in each book be reduced to a minimum. This volume is printed on lighter paper than would have been used before material limitations became necessary, and the number of words on each page has been substantially increased. The smaller bulk in no way indicates that the text has been shortened.

TO THE MEMORY OF MY FATHER
DR. SUN YAT-SEN
FATHER OF THE CHINESE REPUBLIC



CONTENTS

Preface xi

Introduction by Lin Yutang xiii

Part I—TO FREEDOM AND EQUALITY

- | | |
|--|----|
| 1. Sun Yat-sen and Soviet Russia | 1 |
| 2. <i>San-Min-Chu-I</i> , Capitalism and Socialism | 12 |
| 3. China's War and Peace Aims | 33 |
| 4. The <i>San-Min-Chu-I</i> and World Reconstruction | 45 |
| 5. The <i>San-Min-Chu-I</i> : Its Universality | 60 |

Part II—TO DEMOCRACY

- | | |
|--|-----|
| 6. China Marching Toward Democracy | 70 |
| 7. Writing China's Constitution | 89 |
| 8. Democratization of the Government and Planned Economy | 105 |
| 9. The Challenge to the <i>San-Min-Chu-I</i> Youth Corps | 118 |

Part III—TO BETTER LIVELIHOOD

- | | |
|---|-----|
| 10. Wartime Economic Problems, Their Solution and Bearing on Postwar Reconstruction | 123 |
| 11. Fundamental Problems of China's Economic Development | 137 |

Part IV—TO VICTORY

12. The Pacific War and China	151
13. Insurance of Victory	156
14. The Question of Korean Independence	168
15. Final Victory and Peace Terms	177
16. New Strategy to Destroy the Japanese Pirates	182
17. The Mikado Must Go	189

Part V—TO PEACE

18. The Future of China	195
19. State Construction Amidst War	205
20. Dangerous Thoughts on Postwar Problems	212
21. Manchuria After the War	216
22. A New Chapter in Chinese-American Relations	226
23. Reconstruction of the Postwar World	236
24. For a Just and Enduring Peace	242

<i>Appendix A</i> —General Principles for National Reconstruction	246
---	-----

<i>Appendix B</i> —Project for the Concentration of National Strength to Combat the Menace Threatening Our National Survival	249
--	-----

<i>Appendix C</i> —Final Draft Constitution of the Republic of China	256
--	-----

<i>Appendix D</i> —Guiding Principles for War of Resistance and National Reconstruction	272
---	-----

CHINA LOOKS FORWARD

PREFACE

A FEW WORDS of explanation may be in order to acquaint the reader with the origin of this book.

Since the winter of 1939-40, after my return to Free China from my second mission to Moscow at the end of 1939, I have had numerous occasions to speak on the world situation with particular reference to its effects on China. These speeches and lectures were delivered extempore without written texts or even notes. My secretary who was with me on these speaking engagements acted as my stenographer and took down the speeches verbatim. After transcription and with my own revisions these speeches were then released to the Chinese press for publication.

With the lapse of time a mass of material was accumulated. A young literary friend and playwright undertook the task of collecting and editing them for publication in book form. This was done in the autumn of 1942, when the collected speeches together with some of the articles I had published in the press appeared in a volume in Chinese as *Chung-kuo di Ch'ien-tu* or The Future of China. It aroused a good deal of attention and elicited favorable comment on the part of my Chinese readers.

Early in 1943 friends, both foreign and Chinese, had suggested the publication of an English version, but I was undecided. I had reasons for this hesitation. These speeches and most of my published writings were delivered to and intended for my own people, especially the younger generation who are being reared in war and are now preparing themselves for the tremendous task of national reconstruction in postwar China. Would Western readers be interested in what I have to say to my own people?

But my friends were insistent that an English version be brought out. Two of them, my colleague Mr. Yeh Ch'iu-yuan of the Legislative Yuan and Professor Sun Ta-yu of the Cen-

tral Political Institute, volunteered to make a draft translation during the hot summer months of 1943. I had practically put the matter out of my mind when my son Tse-ping wrote me from New York that my American publishers were anxious to have a translation made and published by them. I then decided to take a personal interest in its preparation. It has occupied most of my spare moments for two months this autumn to whip it into shape, revising and rewriting the manuscript.

In its final form, the bulk of this volume is taken from its Chinese original, with some new material added. In order to round out the contents, I have written two new chapters, *China Marching Toward Democracy* and *Writing China's Constitution*, especially for this purpose.

I have to thank my other friends who have had a hand in the work. Mr. Percy Chen, editor of the *National Herald* in Chungking, has contributed much time and labor in reading over the translations. Dr. Mei Ju-ao of the Legislative Yuan has assisted me in preparing my article on the Constitution. Mr. Wen Yuan-ning, member of the Legislative Yuan and now with the Goodwill Mission to England, also read over some of the material and gave his advice on the English version. Finally, there is my good friend and collaborator, Dr. John C. H. Wu, who was so kind as to come especially from his home in Kweilin to participate in the final editing.

I must not forget to mention my wife, my constant comfort and unfailing source of inspiration especially during these many trying war-years, without whose encouragement and selfless devotion even the ephemeral task of preparing this book for publication would not have been done at all.

SUN FO.

*Yuan-lu,
Chialing Village,
Chungking,
29th November, 1943.*

Publisher's Note: After the author had completed his manuscript including the preface above, he delivered two addresses at Chungking which were so important that we have obtained translated texts and have inserted them as Chapters 8 and 9.

INTRODUCTION

by LIN YUTANG

I HAVE HAD the privilege of reading Dr. Sun Fo's *China Looks Forward* in manuscript and it may not seem inappropriate for me to dwell on certain points which may help the Western public in a better appreciation of its significance.

First of all, the value of the book lies in the fact that the wide range of ideas, social, economic, and political, discussed in it is a fair measure of what the thinking and politically conscious Chinese are discussing, debating and dreaming of today. The book consists largely of material from the lectures and addresses by Dr. Sun given before different Chinese societies and institutions in the past three or four years. The canvass of this book is the canvass of ideas in that wartime China which, while actively engaged in the war of resistance, is still more energetically asking, "What of the future?" both for China and the world in general. Perhaps it is a unique characteristic of the war in China that, in the people's minds, the war of resistance and postwar national reconstruction imperceptibly merge into one; the hope of victory is part and parcel of the dream of a regenerated, modernized and industrialized China.

What the Beveridge Plan is to wartime England and what social security programs are to the United States, the yet unfulfilled *San-Min-Chu-I* and Dr. Sun Yat-sen's *Principles of National Reconstruction* are to this present-day fighting China. It is a surprising feature of this war in China, for instance, that through these war years, roads, railways, dikes and irrigation systems have been extended, the oil fields of Yumen have been developed, public interest has been concentrated on the economic development of Sinkiang and

Sikang, an intensive system of village and county grade schools is being put through and the New County Administration system is being established as the basis of local elective self-government. The hopes and aspirations expressed in this book are the hopes and aspirations of the Chinese people as a whole.

As it will be noticed, those hopes and aspirations are not only national, but are international as well. For it is equally characteristic of present-day China that she is deeply world-conscious. I have heard it said that "every Chinese is an economist and student of world affairs." In my recent travels in Free China, I have found that this somewhat facetious overstatement contains a core of truth. In the remotest provinces, parlor conversations and questions from audiences turn either upon problems of economics or upon the most obscure aspects of the international situation. Any Chungking newspaper will be found upon analysis to consist one-third of domestic news and two-thirds of international news.

But this book not only reflects what the Chinese are discussing among themselves; added significance comes from the fact that it is written by one of China's political leaders, quite possibly the most outstanding social thinker of China today. The author carries on the great tradition of progressive social thinking of his father, Dr. Sun Yat-sen, the Father of the Chinese Republic. That dream of an economically just social order has never been lost sight of in the blueprints for a new, industrialized China. The characteristics of that just social order, that dream that our common people may be better fed, better dressed and better housed, of how China's industrial development should avoid the pitfalls of Western capitalist society, and in what way this broad tendency is socialistic and how it differs from the systems of the Western democracies and of Soviet Russia, the roles of state industry and private enterprise—all these will become clear to the reader of this book. China may not be able to attain that goal within the next twenty or thirty years. Yet it will become plain to the reader that, if Dr. Sun Yat-sen's *San-Min-Chu-I* and particularly the Principle of the People's Livelihood are followed in spirit, the New China which will emerge from the next decades will be blessed with a progressive demo-

cratic social system which is the dream of liberal Americans and Englishmen.

It will be found that this social thinking, as expressed in this book, while differing in structure and means and methods from Russian communism, is considerably closer in spirit to the Soviet experiment than is found in many liberal quarters of the United States and England. It has been well said that the one thing the British Labour Party is afraid of is socialism. Dr. Sun Fo is the best read man in China on the social and economic problems of the West, and certainly as well read on these problems as any western scholar. In this he most resembles his great father, who was reputed to be "never without a volume in his hands." He has also traveled extensively in Soviet Russia and is not afraid to express his great admiration for what the Russians have been able to put through. His trips to Russia in 1938 and 1939 greatly impressed him with what a well-directed state might do in the way of social and economic development for the people. In all these years he has been a staunch advocate of better understanding and cultural relations with Soviet Russia. If this statement may frighten a few superficial readers, I need only assure them that while socialism is the bugbear of the British Labour Party, Bolshevism will come to England under the garb of Tory conservatism with the English King still on his throne, and that communism was practiced by the first-century Christians long ago. The western democracies, as may be seen in the Beveridge Plan, are all traveling the road towards greater social security and a better social order, although we may not know it. The schoolchild scare over words like "socialism" is hardly justified in a so-called educated adult.

Conversely, the emphasis laid on local self-government repeatedly expressed in this book, particularly in the chapter "China Marching Toward Democracy," may serve to allay the fears of those weak hearts in Wall Street. As the French proverb well says, "The more we vary, the more we are the same." And this is of further significance in view of the fact that there has been a tendency in the West to doubt the essential democratic pattern of China's ultimate development. All theories and labels apart—Russia is claiming the "most democratic constitution"—what are we all thinking about ex-

cept that the common man everywhere in the world may have his just share of human happiness?

The author, like his renowned father, has been called a "dreamer." It is well that in every nation there are some thinking heads that dream beautiful dreams for the masses of the people. Dr. Sun Fo dreams, too, but what of it? It will be found by the reader of this book that he has no lack of solid facts and that his ideals are qualified by a realistic appraisal of China's difficulties as well as of her spiritual strength.

Chungking,
December 18, 1943.

PART ONE

To Freedom and Equality

1

SUN YAT-SEN AND SOVIET RUSSIA *

1.

DR. SUN YAT-SEN, the guiding spirit of the Chinese Revolution, prophet and champion of human freedom, died on March 12, 1925. His goal, during the whole of his life, lay not only in the salvation of China, but also in the emancipation of the rest of the oppressed world. His primary aim was, of course, the emancipation of his own people, but his ultimate purpose was that of humanity.

The most cherished wishes of his life are best expressed in a letter to Soviet friends which was written during his last days. He wrote:

You are the leader and vanguard of that grand union of free republics which look to the future. That great federation of nations is truly the priceless heritage bequeathed to all the oppressed peoples by your immortal Lenin. Turning their eyes to you, the enslaved millions under the yoke of imperialism will nourish their faith and courage to win their own freedom, thereby working to liberate themselves from the shackles of the existing international order which is based on age-old wars of enslavement. What I shall leave behind me is the Kuomintang. It is my hope, while accomplishing its historical mission of ridding China of the bondage of imperialism and helping other fettered nations to free themselves, the Kuomintang will co-operate with you in the days to come as fully as possible. I have already directed the Kuomintang to establish lasting co-operation with you, earnestly believing meanwhile that your government will

* From an article in *Free China*, March 12, 1940.

gladly continue to lend its assistance unstintingly. Dear Comrades, while taking my final leave of you, I wish to express my ardent hope that before long the dawn will break. This will be the time when the Soviet Union as a good friend and an ally will greet a strong and independent China. Both countries will emerge victorious, I am sure, from their gigantic struggle for the freedom of the oppressed peoples of the world.

No letter of greater moment for world history has ever been written; it exists to point out to mankind the road toward the realization of a happier world. The emancipation of China and that of the world are fundamentally inseparable. There can be no real freedom and equality in the world so long as a fifth of humanity, the 450,000,000 living in China, are not free. If we ask for these things for ourselves, we must demand the like for others. The disease of imperialism which infects the whole society of nations is a cancerous malady of the Old World. If we can cure this plague we shall have made a great contribution to humanity.

That is the reason why the leader of our Revolution, throughout the long, single-handed struggle against the feudal Manchu monarchy, hourly awaited the rise of new revolutionary forces to help in the overthrow of oppression. Not until the outbreak of the Russian Revolution was this hope realized.

Seeing clearly the portent of this event, the Father of the Revolution was not blinded by the flood of propaganda let loose in all countries against the Russian bolsheviks. It was apparent to him that the success of the Russian Revolution would not only deal a death blow to imperialism in Czarist Russia, but would undermine its strength elsewhere, and at the same time strike at the root of its existence, world capitalism.

The Father of the Republic, veteran leader of our Revolution for some twoscore years, was not deceived by the deluge of scandalous propaganda. Therefore, he showered sympathy upon and pinned unwavering hopes to this vindication of universal human rights.

He said: "Everyone is aware that the Russian Revolution is a replica of its Chinese forerunner. But it has been carried to a success far in advance of our own; its great achievements are unprecedented in the history of revolutions." Later, com-

memorating the death of Lenin in an address to the first Kuomintang Congress in Canton early in 1924, he said: "The reason why the powers of the world are blackening the name of Lenin is because he dared to say undauntedly that the 1,250,000,000 inhabitants of the majority nations are being oppressed and exploited by the 150,000,000 of the minority nations. Besides, Lenin was the champion for self-determination of oppressed peoples." Therefore, to the founder of the People's Party, the Russian Revolution had "kindled the hopes of mankind." If we add Russia's 190,000,000 to China's 450,000,000, the task of regenerating the world does not seem such a fantastic dream.

Dr. Sun Yat-sen's great revolutionary aim was not accomplished in his lifetime. Even now, years after his death, we have made but slight progress. Still, we have succeeded in achieving internal unity in the midst of a war of national salvation—a stage of organized armed struggle against imperialism.

Soviet Russia, during this period, has well-nigh finished the third of her five-year plans, successfully completing the reconstruction stage of socialism.

Thus it may be said that the two countries are forging ahead for world regeneration. What is our main task henceforth? In the midst of our war against aggression and through our efforts in state building, we must realize the cardinal aims of our Revolution: First, we must practice *San-Min-Chu-I* within our borders; second, with the power of a strong independent nation and in co-operation with Soviet Russia and other friendly powers, we must achieve final victory for the freedom of the oppressed and enslaved peoples of the world. This responsibility rests on the shoulders of every one of our comrades and our countrymen.

2.

The Russian Revolution took place in 1917, just eight years before the death of Dr. Sun Yat-sen. In these eight years internal strife and intervention by the great capitalist powers—France, Japan, Great Britain, and the United States—led to one of the bloodiest of revolutions. The young Soviet Government had to conquer internal counterrevolutionary forces,

repel the Japanese and other interventionists in Siberia and Karelia, and cope with a hostile blockade.

The social structure of the new state was undermined, economy was disrupted, and famine swept the land. The sufferings of the people were unbelievable; bare necessities of life were unobtainable. Russia was in chaos.

In the midst of these catastrophes, the leaders of the Soviet Government tackled the three great questions which faced them: (1) on the score of nationalism, more than one hundred different ethnic groups, each with its own language and culture, had to be welded into a coherent whole to live in harmonious accord and unity; (2) on the score of democracy, the masses of the people had to be lifted up from the serfdom of Czarist autocracy to a state of popular self-government; (3) on the score of livelihood, the capitalist economy monopolized by nobles and big landowners had to be replaced by a socialist economy where all the means of production were to be possessed by the state for the welfare of the people.

Here was an advance in economic and political theory which had never been attempted before by any other nation. There were no precedents to follow. But, taking their destiny in both hands, the Soviet Government in the space of twenty-one years found a solution to each and every one of these problems.

Dr. Sun Yat-sen died too early. Nor could he have imagined that *San-Min-Chu-I*, which was propounded by him, would be first brought to fruition by our great neighbor. Even now there are some among our leading intellectuals who do not understand that the building up of a socialist state in Soviet Russia will mean the realization of our own *San-Min-Chu-I*, albeit according to her own lights and on the basis of her own economic and political background.

How, one may ask, did Soviet Russia tackle these three questions? Why do we say that their successful solution is equivalent to the realization of *San-Min-Chu-I*?

In regard to nationalism, Soviet Russia is a state comprising a host of ethnic groups. During the days of the Czarist regime, the ruling caste cared for naught but autocratic government and barbaric aggression for loot and expansion. The question of nationalism was completely ignored. The Romanoff Empire consisted of the *Herrenvolk*,

the Great Russians, and the subject peoples, like the Ukrainians, Tajhiks, Turcomen, Kalmuks, and a hundred others. One of the first tasks undertaken after the Revolution of 1917 was to find a solution to this problem of nationalism which is the basis of the existence of nations. Lenin appointed Stalin commissar of nationalities. Soon a policy was formed upon the basis of which the unification and internal construction of Russia was founded. Thereafter in the early days of the building of the new state, the Russian bolsheviks pushed forward with the policy of giving equality to all ethnic groups within their borders. They were welded together politically and economically into one fraternal whole, each retaining in full measure its cultural and racial equality and liberty.

Thus all interracial suspicions and discrimination were swept away at one stroke, and a union of free and equal republics was formed. At the same time, the Soviet Government formulated and initiated a foreign policy of helping the weak and rendering moral and material support to the oppressed nations of the world. Russia's guiding principle in solving her problem of nationalities is none other than that which the Father of the Republic advanced for forty years.

To unite many ethnic groups in forming one composite modern nation, it is necessary that each one should enjoy full equality with the others, politically, economically, and culturally. None must be the master, none the slave; none the exploiters, none the exploited. Otherwise, if calamity comes, dissension is bound to be rife, and destruction a certainty. The disintegration of the Austro-Hungarian Empire in the First World War and the annihilation of Poland, though the causes were many and varied, were due mainly to the absence of political, economic, and social equality among the various component ethnic groups.

As regards democracy, with the proclamation of the Stalin Constitution, Soviet Russia has aspired to become in its political make-up the most democratic country in the world. It is to be a land where political rights are equal for every man and woman. There is intended to be universal suffrage for the adult population.

In this advance toward full democracy lies the basis for the claim by the Russians that they possess the most democratic constitution in the world. In this lies the charge against the

Western democracies—that their democracy is fictitious and limited, and therefore not true democracy. Capitalist economy divides the people into the propertied few: the possessing class, and the destitute many: the toilers, the hewers of wood and the drawers of water. There are therefore class distinctions, and suffrage is limited to those who can fulfill property or income qualifications.

In Soviet Russia, on the other hand, private property in land and means of production has been abolished; class distinctions have been removed so that everyone enjoys economic equality with his fellow men.

Political rights are enjoyed by all Soviet citizens in common. They exercise their political power through direct participation in their local Soviets or popular assemblies. In addition, they enjoy economic, cultural, and social rights of work, education, and racial equality. This is in exact accord with the spirit of *San-Min-Chu-I*.

Built upon the foundation of popular sovereignty, the strength and functional power of the central government are well founded and highly effective. This has been proved by the growth of the authority of the Soviet Union in the councils of the leading powers of the world.

In the case of the people's livelihood, the leaders of Soviet Russia from the very first followed the policies of improving the agricultural production of the country, introducing and developing industry along socialist lines, strengthening the defensive power of the country, and solving once for all the question of the livelihood of her people.

After 1928 the energy of the whole nation was concentrated in pushing through the three five-year economic plans. Thus, while it has taken capitalist countries a century to achieve industrialization, Soviet Russia has reached their level of production in the main branches of industry, agriculture, and transport in about one-sixth of the time required by other countries.

The first two five-year plans were devoted to basic heavy industry—the production of the means of production, large-scale electrical power plants, and many other branches vitally connected with national defense. In the third five-year plan, emphasis was laid on the production of more consumer goods.

Progress during these years was not limited to production.

The problem of distribution, which is the thorny one in capitalist countries, is being solved.

Since all means of production are owned or controlled by the state, the profits of all socialist economy are directed toward improving and expanding the productive power of the nation; and not, as in capitalist countries, for building up enormous private fortunes for a few. The distribution of individual income has been equalized mainly by removing the discrepancies in remuneration between mental and manual labor, urban and rural labor, and male and female labor. This is fully consonant with the tenet "From each according to his ability, to each according to his work," which agrees perfectly with the principle of the People's Livelihood so long advocated by the leader of our Revolution.

3.

While paying homage to the memory of the Father of the Republic, we must frankly examine ourselves on what we have achieved. When we do this we have cause not for being pleased—but rather for being ashamed of ourselves.

When comparing our achievements with those of the Soviet Union we find that in the years which have elapsed since Dr. Sun Yat-sen's death, we have little to show. In the short space of little more than ten years the Soviet Union realized to a great measure the aims of our *San-Min-Chu-I*. In China not only have we failed to secure our legacy and the objective we set out to achieve, but by our sins of omission we have brought untold hardships and suffering on ourselves.

The reasons for this failure lie in the fact that we do not fully understand the fundamental principles of *San-Min-Chu-I*, nor have we acquainted ourselves fully with the actual conditions and the political theories of foreign countries as well as those of our own land. We have failed to regain our national self-confidence which was shattered by repeated humiliations at the hands of the imperialists for more than a century.

Some of us often imagine that there are newer and better doctrines which could guide us in the regeneration of China and the world. Some even belittle the precepts bequeathed to us by the Father of the Republic, not realizing that they are the fairest and the most practical doctrines formulated by

man. Proof of this lies in the achievements of Soviet Russia, who has put these doctrines into practice.

Thinkers on world problems and statesmen responsible for the welfare and happiness of mankind will have to put into practice the essential tenets embodied in the *San-Min-Chu-I* if the difficult problems which upset the peace and disrupt the ordered progress of human society are to be resolved. The implied objectives of our *San-Min-Chu-I*, which demand that national, political, and economic freedom be recognized as inherent rights for all peoples, must be conceded and guaranteed by world statesmanship before any hope for a better world order can become a fact.

Let us ask ourselves honestly why we, as a nation, have failed to put in force the principles of the Father of the Republic. The causes, I think, are two: In the first place, we have in China believers in socialism and communism. Such people are woefully ignorant of the meaning of Marxism and the actual conditions in Soviet Russia. They obstruct in word and deed the carrying out of *San-Min-Chu-I*. In the second place, we have the so-called believers in the three principles. These bigots are rather hazy in their notions of capitalism, socialism, and communism. They close their eyes or even refuse to know what is taking place in Soviet Russia. As a result, they have no clear conception of the substance of the principle of People's Livelihood. Socialism to them is a terrifying nightmare.

As a matter of fact, what is communism? It is nothing less than one of the highest ideals of mankind, equivalent substantially to the state of *Tatung* visualized thousands of years ago by our sages. By a state of *Tatung* our forefathers presupposed a society in which its members were so highly developed spiritually and morally that there would be no need even for government. In this "communist" society, where production of everything needed for sustaining life at an unimaginably high standard of living is attained, there would be real freedom from want. In such society everyone would give to the state the very best of which he was capable and receive from the state all that he needed. Judging from the low standard of morality and intelligence current in the world of today, this utopian condition may not come before

the lapse of several historical periods lasting hundreds of years, even a thousand.

At present the country which approaches nearest to this state of *Tatung* is undoubtedly Soviet Russia. Her progress along the road of *San-Min-Chu-I* enables her to distribute the national income according to the principle "A man shall receive from the State according to the amount of work he contributes to the State." This is socialism. From this it may be seen that the principle of People's Livelihood is not in conflict with Russian socialism and is not opposed to the theory of communism.

Now, why do these gentlemen reject the principle of People's Livelihood and embrace the socialism of Soviet Russia? Their error may be traced to their confusion of thought, the confusion of the means with the end. They refuse to acknowledge that every society has its own historical and social background. Civilization and culture, like economy, did not develop evenly throughout the world. Hence no two societies are alike nor can similar maladies in the bodies politic be treated with the same prescription.

The differences in historical and social background between China and Russia are manifold. Among those differences the main are the following: First, throughout the past century Russia has been a country of unimpaired sovereignty; before the downfall of Czar Nicholas II she was even an imperialistic aggressor nation. China, on the other hand, as a sequel of the Opium War with England in 1840-1842, has been for a whole century deprived of her full sovereign rights. Foreign penetration backed by the presence of warships in her coastal and inland waters, foreign garrisons holding strategic points in her territory, and manipulation of finance by the capitalists of the encroaching powers reduced her to a semi-colonial status. Thus, after the close of the civil wars and foreign intervention, Soviet Russia did not have to continue the struggle for her national emancipation. China's most urgent need was recovery of full national independence by destroying the political and economic bonds which were throttling her. This patriotic war of resistance is the climax of that struggle; for Japan saw in the growing strength of the National Government the end to that bondage. Japan sought

to change China's subjection from a semi-colonial status to that of a full colony.

Second, during the days of the Czarist Empire class distinction in Russia was fully developed. In China we have a society in which class distinctions are less sharp. This is on account of the primitive state of Chinese economy, and the extremely low standard of production and living which prevailed in the country on account of the maladministration and corruption of the Manchu Dynasty.

Landlordism in China is by no means to be compared with that which existed in Russia. There were also very few industrial capitalists. What monied men there were derived their wealth from trade and usury. In Soviet Russia the government expropriated the nobles and large landowners in order to carry out their land decrees giving the land to the peasants. This big and influential class of landowners concentrated around them all the counterrevolutionary forces, and the violence and bloodshed of the civil wars resulted. In China, at the present there is no need for such drastic measures to achieve the end of bringing the land into the ownership of the state for the benefit of the tillers of the soil, in accordance with the doctrines of Dr. Sun Yat-sen.

Third, China's economic development is far behind that of Soviet Russia, or even Czarist Russia. But even the bolsheviks tolerated the private capitalist during the period of the New Economic Policy from 1923 to 1926. Lenin pushed this policy through in the face of violent attack from the so-called Left Opposition because as he said at that time, ". . . the government has not the men nor the money to socialize all industry and agriculture." The disbelieving gentlemen must read their Lenin again more carefully and try to understand this teaching. They will be able to better appreciate the meaning of *San-Min-Chu-I*.

It is clear that if we seek an analogy in Russia our economy is like that during the time of the New Economic Policy. In China we need not abolish private capital. We need its initiative, and its competitive efficiency. But we can restrain it and deprive it of the power to do harm to our social and political structure which we are building up. At the same time, by adopting the system of planned economy which is an adjunct of the principle of People's Livelihood, we shall

be able to quicken industrialization by diverting the greater part of the surplus national income from private enterprise in the form of income and profit taxes to state industry. Dr. Sun Yat-sen has described state industries which are beyond the scope of private individual enterprise. The Russians socialized their agriculture upon the basis of socialized industry, not the other way about. And China must have industry before it can be socialized. A few old factories here and there is not industry. Industrialization means the ability to equip and expand industry on the basis of our own production instead of imports from abroad.

These differences pointed out above touching the principles of nationalism, democracy, and livelihood merely serve to show the need for different methods of accomplishment and not a difference in the aims. Both ways lead to the same goal.

The more one admires Soviet Russia, the more should one believe in *San-Min-Chu-I*. Conversely, the more one believes in the doctrines of Dr. Sun Yat-sen, the more should one study the actual conditions in Soviet Russia and try to understand them.

All of us who are actively engaged in this war of national salvation for the freeing of our country, and have faith in successful reconstruction after the war, must today put aside all doubts and prejudices and dedicate ourselves wholly to *San-Min-Chu-I*.

As a result of this struggle we are going to make our country independent and free; a rich and powerful, a happy and peaceful country, a worthy member in the family of nations. The crushing of Japanese aggression will be a fatal blow to predatory imperialism, and the emancipation of Korea and other Asiatic nations enslaved by imperialist Japan will be achieved.

We shall then be contributing a great share to the creation of a new and better world, and at the same time accomplishing the will of the Father of the Republic to deliver China and ultimately the rest of the oppressed world.

SAN-MIN-CHU-I, CAPITALISM, AND SOCIALISM *

1.

LET US EXPLAIN BRIEFLY the contents of *San-Min-Chu-I*, and then compare this creed of ours with other current systems of politico-economic doctrine. Sun Tzu, in his *Art of War*, wrote, "To know oneself as well as to know one's enemy is to insure victory in a hundred battles." We of this generation are devoting ourselves to the great task of state building in accordance with *San-Min-Chu-I*. It is therefore incumbent on us thoroughly to acquaint ourselves with its theory and practice. For this purpose, a comparative inquiry of this and other systems would be useful toward a better understanding of the subject.

2.

The first principle of our trilogy is *Min-Chuh-Chu-I*, popularly rendered as nationalism. It aims at propagating and developing all the good and virtuous elements inherent in our national character, which constitute a racial heritage handed down to us from times immemorial. In external relations this nationalism of ours strives for the attainment of complete independence, freedom, and equality for China in the society of nations. Under its inspiration, we are today fighting a patriotic war against the Japanese aggressor in order to safeguard our national existence and to liberate our people from a foreign yoke.

In domestic relations our nationalism calls for equality of status for all racial or ethnic groups inhabiting our vast land. Chinese, Manchus, Mongols, Tibetans, Moslem peoples in the great Northwest, as well as other minorities scattered in various parts of the country, must be able to enjoy full equality in their legal, political, economic, and cultural positions. There must be no discrimination based on race or religion. Chinese, being more advanced than some of the other groups,

* A lecture given at the Central Political Training Institute, Chungking, April 8, 1940.

may serve as elder brothers and teachers in helping the less advanced to go on to a higher state of culture. All racial groups within the nation must be brought up to the same level in political, economic, and cultural development. Only by so doing will China truly attain the position of a modern state.

Such in brief is the meaning of the principle of nationalism. We do not seek aggrandizement at the expense of our neighbors; nor do we lay claim to any superiority of race over others, such as the misguided Nazis do in their absurd racial doctrines, or like the ridiculous assertion of the Japanese enemy who traced his ancestry to the mythical "Sun Goddess." Nationalism to us means just this: national equality and freedom for ourselves, both at home and abroad. Practice of this principle will never involve us in mortal conflict with other nations who treat us on a basis of equality and mutual respect. Only those who would despoil our land and enslave our people are our enemies.

3.

Min-Ch'uan-Chu-I, or "the rights of the people," is the second principle. It was Dr. Sun Yat-sen who first evolved and propounded the new concept in political theory, which he called the Five-Power Constitution. He distinguished two sets of powers exercised separately by the people and the government. The first set, known as political powers, is the inalienable possession of the people and can be exercised by the people alone. The second set, known as governing powers, is lodged with the government, which derives its authority to govern and administer the country from the people. The political powers of the people comprise the four democratic rights of election, recall, initiative, and referendum. The governing powers of the government include the following five functional powers: the executive, the legislative, the judiciary, examination, and control.

The "General Principles for National Reconstruction," written in his own hand by Dr. Sun Yat-sen, defines the *hsien* ("county") as the unit of local self-government. All officials discharging public duties in various localities, such as the *hsien* magistrate or civil administrator, the village elder or township mayor, the *pao* and *chia* headman, are to be elected

by the populace in the respective localities to take charge of the public functions delegated to them. If those elected to office should prove incompetent or be guilty of malpractice and abuse of office, the electorate shall have the right to dismiss them and elect others.

Since the people also have the right of initiative, they can in the *hsien*, village, township, *pao*, and *chia* assemblies, councils, or meetings directly move for the adoption of ways and means in dealing with local affairs. These resolutions when passed become bylaws in the respective local districts and are binding upon all within that area.

Again, as the people have the right of referendum, they can amend or abolish bylaws and orders of the *hsien* and other local bodies if these are later found to run counter to or conflict with local public interests.

In countries where the populations are small, these four rights, called more specifically direct rights, could be exercised by a large section of the electorate so as to delegate their authority to and limit the power of the central government through the elected cabinet. But we have a tremendous population of 450,000,000. How are we going to exercise our four rights in matters of national scope and importance? The "General Principles for National Reconstruction" answers the question by saying that *vis-à-vis* the central government, the people cannot exercise their direct rights: they have to elect representatives to the National Assembly for expressing their will.

The main office of the National Assembly consists, according to the Draft Constitution published on May 5, 1936, by the National Government, of the exercise of the four rights of the people—namely, electing the president and vice-president of the Republic and the presidents and members of Legislative and Control Yuan; dismissing the president and vice-president of the Republic, the presidents of the Yuan, as well as Legislative and Control Yuan members; exercising the right of initiative for the people by making laws to meet the demands of the nation; and, finally, amending or abrogating laws which are found not to be for the good of the people, by exercising the right of referendum.

Our system of the rights of the people is quite different from contemporary Western politics, in which there is

no definite line drawn between popular rights and governing powers. Again, before the Five-Power Constitution was evolved by Dr. Sun Yat-sen, most occidental democratic constitutional systems were based on the division of sovereignty of the people into two or three powers, all exercised by delegated authority.

In the case of Great Britain, theoretically there are three governing powers, or functions of the government; but in practice two of them—executive and legislative—are exercised by the same organ. Important members of the cabinet, the prime minister and his chief colleagues, must concurrently be members of the House of Commons. They are the representatives of the majority party, which is in control of the direction of state affairs. When the House is in session, members of the cabinet must attend the meetings and make oral reports and answer questions concerning matters of policy and the administration of their several departments. Parliament enacts laws and decides on policies which affect the interests of the nation and the Empire. So it has been said that the British Parliament is an omnipotent organ capable of doing anything except to change men into women or vice versa. The statement, though humorous, is true because, although a legislative body, the House also directs administration, handles political matters, and controls all governmental organs. Cabinet ministers, responsible to Parliament, cannot act independently. Thus legislative and executive functions are interwoven. Only the judicial function is separately exercised by other organs juxtaposed to the main mechanism of the British Constitution.

The Father of the Republic carefully studied the theories of Montesquieu, who divided indirect political rights of the people into three categories, each to be entrusted to a separate governmental organ. This theory was adopted by the founders of the American Republic and formed the basis of the Constitution of the United States, which assigns the functions of legislature to Congress, of administration to the President; and of judicature to the Supreme Court. The President under this constitution is elected directly by the people. He and his executive cabinet are of equal status with Congress. Often it has happened that, when there is a conflict in policy, the legislative and the executive have hampered each other's

activities to a great degree and obstructed the exercise of their respective functions.

4.

Dr. Sun Yat-sen realized the drawbacks of tri-powered government. He originated his Five-Power Constitution so that, in addition to the three powers of the executive, the legislative, and the judiciary, he introduced the powers of examination and control. These are set forth as independent functions of government, to be performed by separate organs without interference from each other, yet all responsible to the National Assembly, the elected representatives of the nation.

The power of control, when transmitted to the relevant machinery and carried out, is an astringent power and includes inspection, censuring, and impeachment. The system of censure is an old one in Chinese history. The imperial censors from the T'ang to the late Ching dynasties were court officials whose duty it was to investigate, criticize, and impeach official corruption and incompetence. Even the actions of the Emperor himself were not immune from criticism of the censors.

The system of examination was a feature of our social and political organization introduced since the T'ang Dynasty some thirteen hundred years ago, as a means of recruiting the best talent for service as state officials. This institution is especially characteristic of traditional Chinese politics. The point of departure is that in the days of monarchy, all powers of the executive, the legislative, and the judiciary, as well as the two indigenous ones, were centralized in the person of the Emperor. According to the pre-revolutionary system of government, there was only one right and one power, which was the imperial prerogative.

The present system under which the Republic is now being governed is not yet what it should be, although there are five Yuan exercising the powers of government.

We are now governing the country and constructing the state through the instrument of the Kuomintang, the People's Party. This is because the Revolution has not been brought to a successful conclusion; hence we are still in a transitional period in our political evolution.

In this period of party tutelage our permanent constitution has not been adopted and put into force. It is a period when the people are being taught to exercise their four rights. Under these circumstances, the five Yuan are not in a position to discharge their offices independently upon a direct mandate from the people. They have to subject themselves to the direction of the Central Political Council of the Kuomintang. For example, an administrative measure passed by the Executive Yuan could not be enforced without the sanction of the Council. Since the outbreak of the war, the functions of the Central Political Council have been assumed by the Supreme National Defense Council, into which it was reorganized in order that all matters can be handled with dispatch. Acts and statutes enacted by the Legislative Yuan must receive the approval of the Council before promulgation. After the adoption of the Constitution, each of the five Yuan will be able to act independently in the exercise of its powers derived from the National Assembly, the elected representatives of the people. Then all acts and measures passed by the Legislative Yuan will become laws upon promulgation. There will be no need for first submitting such acts to a higher political body for review and final approval. In this way the Five-Power Constitution will function through the Five Yuan, in accordance with the plan laid down by the Founder of our Republic.

5.

At different times in the lives of nations certain problems and tasks take the leading place. In the present stage of the National Revolution which is going on in China, the primary task, as I have stated above, is the recovery of the sovereign rights which were lost under the Manchus during the last century. Until national freedom has been recovered by arms, as is being done today, the whole energy of the nation must be concentrated on this great task. This does not mean that preparations for the carrying out of other tasks should not proceed. But the attention of the nation must not be divided so that the current main task is lost sight of.

When national freedom has been recovered, when all Chinese territory has been liberated from enemy occupation and brought once again under Chinese administration; when

there are no foreign troops upon our soil under any pretext whatsoever, and when sovereignty has been fully and unequivocally restored throughout our land, then the National Revolution can proceed to the fulfillment of the other tasks which have been so clearly presented to it by the Father of the Republic.

It is probable that immediately after the regaining of our sovereign rights the period of political tutelage will come to an end, and the adoption of the constitution will become the order of the day. Then, side by side with the development of democratic government on the basis of the Five-Power Constitution, we shall turn to carrying out *Min-Seng-Chu-I*, the third principle of *San-Min-Chu-I*, that of the livelihood of the people.

In this sense the third principle is the final aim of *San-Min-Chu-I*. It is the principle of economic freedom in order to create a better and higher standard of living for the masses. Only on such a basis of economic freedom can the nation fully develop to a higher and broader level of culture than ever before in the vast extent of our long and fruitful history. China had for centuries past served as the guiding light of civilization and culture for the billion inhabitants of the Asiatic world. It is the final aim of the National Revolution that we should regain that moral and intellectual leadership and show the way to a better and happier world, and achieve an even higher civilization.

As two fundamental steps toward the realization of the principle of People's Livelihood, Dr. Sun Yat-sen taught the party and the people that: first, the land must be evenly distributed among the tillers of the soil; second, the abuses of capital must be restrained, and the economic life of the country directed along socialized lines.

The country's lands are the heritage left to us by our ancestors through thousands of years; they are the gift of Nature, not the creation of any group of individuals; therefore they should be possessed by the nation and enjoyed by all. To carry out such a policy, the Father of the Republic declared that the "tilled lands must be possessed by the tiller." We have few large landowners in China; but, although the holdings are relatively small when compared to the large landed estates which were the relics of past feudal ages in

Europe, there is the problem of absentee owners who claim the payment of rent in kind. This is a system akin to feudalism; hence some writers on social conditions in China attach more importance to it than is warranted. The hardship of paying rent in kind makes itself felt in years of famine or calamity when the normal course of primitive agricultural communities is disturbed. In years when the farmer is unable to reap a harvest, he has to borrow either cash or grain from the landlords. High usurious interest, which is a feature of Chinese agricultural economy, may then bind the borrower to the creditor, who is usually the absentee landlord acting through his bailiff, for years and years to come.

Merely passing a decree giving the lands to the tillers of the soil, if unaccompanied with the machinery to take the place of the landlords, would be of little practical effect. Such an example can be taken from the freeing of the serfs in Russia by Czar Alexander in 1861. The freed serfs remained at the mercy of the landowners and in most cases were in a worse economic position than prior to the passing of the laws obliterating serfdom. It was therefore not until 1917 that vestiges of serfdom finally disappeared from Russia as a social institution. It is interesting to note that the Russian peasant was a free owner of land only between 1917, when the Soviet Government decreed the distribution of land to the peasants, and 1927, when the policies of collectivization again took the land away from them.

Wealth in China, the source of capitalism, has for the last three centuries been derived from trade. The owning of land as such did not lend itself to the accumulation of a large surplus which could be diverted into other spheres of production. The income of the landowning class was regulated by extremely low prices for agricultural products. These were the only commodities produced, and their values could not be measured in terms of manufactured products of the cities and towns. Imported articles or industrial products of Treaty Ports were scarce in the hinterland of China, so the glut of agricultural products in the interior resulted in an extremely low standard of living, not only for the farmer, but also for the landowner. An all-embracing poverty had spread its shroud over the entire land for more than two centuries.

Throughout the vast recesses of the country, the poorer was producing for the poor. Where was the wealth?

6.

The wealth of the urban monied classes is invested in trade. Hence there are grounds for stating that out of the primitive rural economy there has emerged a higher system which can be called trade capitalism. Contact with Western traders and merchants during the past century has tended to increase the wealth of these monied classes, and it was natural that out of the trade capitalists there would develop a body of industrial capitalists. Those who have had experience of the difficulties of industrial development in China will readily agree that among the monied classes there is little industrial sense visible. This applies to the financiers and bankers of China, whose main activities were still, up to 1937, concentrated in foreign exchange and financing of trade operations.

It is only now, as a result of the experience of the war of resistance, when the need for domestic industries was most clearly demonstrated, that the owners of large fortunes gained from successful trading ventures feel the urge to invest in industries.

This is the reason why the Father of the Republic asserted that it would be possible to restrain the abuses such as monopolistic prices and control of markets which form the main features of the development of industrial capitalism in the West. He felt that, by examining the development of Western industrial capitalism, we would be able to discover checks and remedies for such abuses, and to make use of the practices characteristic of that system of economy. Dr. Sun Yat-sen realized that China would have to pass through the portals of industrial capitalism on the way to the goal of People's Livelihood or socialism. But he did not want the development of Chinese economy and the state to be hampered and vitiated by the obstacles, malpractices, and iniquities of that system.

He taught the party to discourage the growth of large fortunes and monopolistic private industrial undertakings. He laid down that all industries of a monopolistic nature must be socialized from the inception so as to prevent the

growth of a powerful class of industrial capitalists, who may gain control of the state apparatus, to the detriment of national interest. His policies were framed to check the greed for wealth and power which is a disease with some men. He took into consideration, however, the striving of the small man to better his position; he envisaged also the industry of the masses of the Chinese people and their ingenuity and initiative. Hence, although limiting the growth of large monopolistic, private industries on a reasonable scale, the state would be left to play the predominant role in the rapid industrialization of the country.

In this way the people of China would be able to possess the national wealth and enjoy the national income for raising their standard of living and freeing themselves economically.

7.

Now that capitalism for profit is under fire from many sides, including the leading social thinkers of the United States and Great Britain, it is easier for our Western friends to understand the differences between that system of economy and the third principle of *San-Min-Chu-I*.

Dr. Sun Yat-sen in his writings and teachings recognized that imperialism, the subjugation and exploitation of economically undeveloped countries and their peoples, for the benefit of the metropolitan ruler-state, was a logical adjunct of capitalism. Profit must come from somewhere, and as the wages of labor in the metropolis grew, the surplus values from which profits come would have to be taken, not from the labor of the men and women of the metropolis, but from the labor of the natives of the areas in which the raw materials were grown or produced.

It was natural that *San-Min-Chu-I* would be opposed first and foremost to imperialism in any shape or form for several reasons. First, the exploitation of subject peoples was not recognized or tolerated by the traditional Chinese political theory and practice. Second, China herself after 1840 was steadily being reduced to a semi-colonial status which might have deteriorated into that of a full colony if our power of resistance to Japan did not save us. Third, it was clear to Dr. Sun Yat-sen that the future of China lay in the industrialization of the country and transforming it from a purely

agricultural country into one with an economy which was well balanced, so as to give full and steady employment and a rising standard of living to the entire population of 450,000,000. It was natural, then, that imperialism would strive to resist this economic development, and political obstacles would be placed in the way of realization of *San-Min-Chu-I*.

The invasion of China by Japan was the last desperate effort made by world imperialism, as a system, to check the victory of *San-Min-Chu-I* in China. When the National Government was administered in Canton from 1923 to 1926, the major foreign powers, America and Britain included, still following blindly the dictates of unbridled capitalism and its handmaid, imperialism, tried to check the extension of its power over the whole country. Men like Wu Pei-fu, Sun Ch'uan-fang, and lesser militarists were supported by the Western powers, while Chang Tso-lin, the Manchurian warlord, was supported by the Japanese.

Notwithstanding all this, the National Government made its way to Hankow in 1926, and then to Nanking in 1927. But while relations with the European and American groups became easier and more stabilized, the Japanese continued to obstruct by direct intervention as well as through counter-revolutionary forces in all parts of the country, culminating in the Tsinan outrage in the spring of 1928, when the Japanese Army occupied the railway from Tsingtao to Tsinan, capital of Shantung Province, in a futile effort to block our advance to Peking.

The growth of the National Government in Nanking pre-saged that soon China would be able to challenge the control which was exercised over her through the unequal treaties whereby foreign garrisons and foreign warships could be stationed and maintained to dominate and patrol her principal cities and inland waters. This was the policy of the National Government declared in all the main documents of the period. And the Japanese saw that their special position in China would inevitably be placed on a footing of equality with other nations, and brought under the jurisdiction of the Chinese Republic. This would mean the end of imperialism in China. And China would regain her full sovereignty as a modern state.

The Japanese assumed the role of the supreme protector

and guardian of imperialism in the Far East and particularly in China. They invaded Manchuria in 1931 under a lame pretext, and finally in 1937 started on their war of total conquest against China.*

The Chinese Government placed excessive faith in the League of Nations, principally because, to Chinese political thought, here was an organization which had the proper authority to settle such an international dispute and uphold international law and order. As a result, we were not ready in 1931 to mobilize the nation for resistance, and the Japanese warlords were able to occupy the three eastern provinces, and set up the puppet state of Manchukuo.

In doing all this, Japan acted as the representative of world imperialism, and her success was due to some measure of truth in her interpretation of her role. Nothing practical was done to help China, and the war of resistance of 1937 became a necessity. It was the armed clash between *San-Min-Chu-I* and world imperialism.

8.

When this war is over and victory finally won, there may still remain the economic victory which *San-Min-Chu-I* must win over the forces of world capitalism.

Here, then, we come to the distinction between *San-Min-Chu-I* and capitalism for profit as two opposing systems of economy.

Production under the capitalist system has brought about an abundant supply of commodities of all kinds. There is no commodity or machine which cannot be produced, be it for manufacture or for consumption. And, given the necessary raw materials, there is no limit to the quantity of products which can be placed before the consumers. Capitalism is an economy of enormous potentialities in the sphere of production. In this lies the contribution of the capitalist system to civilization and culture. It is a great contribution.

Distribution under the capitalist system of economy, however, is chaotic. It is the antithesis of capitalist production. It makes for waste, poverty, suffering, oppression, and misery.

* "Manchuria" is a geographical term without political meaning, as "New England" is. The Chinese commonly refer to the region as the "northeastern provinces" or the "eastern provinces."—Ed.

Today, in the span of one generation, two major world wars are the harvests which it is reaping for the century or so of its development.

Instead of an economy of plenty, for the use and enjoyment of mankind, capitalism produces so that its products may be dumped into the sea or shoved into the furnaces of locomotives in order to prevent them from becoming a glut on the market, thereby cutting down profits; that its gold may be buried under the ground and heavily guarded that none may use it; that the wealth of nations be spent on arms and weapons of destruction instead of life-giving enterprises; that the enjoyment of the fruits of civilization and culture may be for the few and not for the many; that there may be no political, economic, or social democracy. *San-Min-Chu-I* is opposed to capitalism of this nature, which is actuated solely by the profit motive.

Many Americans are surprised by the fact that Soviet Russia retains the system of industrial accounting which is in vogue in capitalist countries or the system of wages paid in cash, or even the introduction of the piece-work system for increased production in the form of the indigenous "Stakhanovite" movement. These are all forms of capitalist production which have produced results in the United States and Europe. They have also produced results in Russia and will produce the same results in China. These results are in the form of large quantities of commodities which form a growing part of the national wealth.

San-Min-Chu-I teaches us that we must use these features of capitalism in order first of all to produce in China a sufficiency of commodities. But it also teaches us that we must simultaneously make use of more advanced methods, to be taken from the socialized system of production, which has been successfully tried out in Soviet Russia. In this way the good will be taken from the existing leading systems of production; and out of this synthesis China will be able to raise the standard of living for each and every one of her vast population.

One of the greatest of the problems of modern China is that of unemployment. In no country is this problem so acute. It resulted in the creation of a tremendous reserve of labor power which reacted upon the level of wages and in

general upon the living standard of the entire population. According to the most accepted statistics, it is said that in prewar days only one out of every five men in China was engaged in actual production. This includes not only handicrafts and industry, but also agriculture. Surplus labor, which is mostly from the rural districts, seek a living as transportation coolies, as soldiers, and as boatmen on the navigable rivers.

The present war is modifying the situation, since the loss of manpower through the fighting, disease, and famine is affecting the annual increase in surplus manpower; but still the feature of the unproductiveness of labor in the ratio of one to five probably still remains.

When Dr. Sun Yat-sen was formulating *San-Min-Chu-I*, he paid the greatest attention to this problem. But in surveying the capitalist system he was not able to find a satisfactory solution. In England unemployment had become a major problem since the First World War. This resulted in labor disturbances which culminated in the great Coal Strike of 1926, and the advance of labor might have been greater had it not been for the ingenious maneuver employed by the Conservative government in forcing the Labour Party and the Trades-Unions to come out into the open to fight before they were completely prepared.

Still, while political advantage was gained for the owners of capital from those events, they were unable to check the economic consequences which flowed from them. The world depression, a forerunner of this present world war, began in 1929. Mass unemployment was concurrently one of the major causes and effects.

Unemployment in any country is a drain on the national wealth. Hence, as it is a feature of capitalism, it was impossible for Dr. Sun Yat-sen to accept that system of economy as a model for his program for the development of China and the solving of the question of People's Livelihood.

Taking it for granted that capitalism in Great Britain was less highly developed than in the United States, where industry had risen to great heights of productivity, the survey of the unemployment situation gave no better promise of solution. On the outbreak of war in Europe there were in Britain and America still millions of men and women idle and un-

productive, while the aggregate of man-hours of labor wasted through unemployment during the last two decades is well-nigh astronomical.

Min-Seng-Chu-I, the principle of People's Livelihood, would solve the question of unemployment by mobilizing the whole mass of the adult population for building up industry and agriculture and supplying the amenities of life for the entire population. By stages the Five-Power Government would take the necessary steps to bring China's economy into the right proportions, so that, instead of a misshapen abnormality where agriculture supports upward of 80 per cent of the population, there would be an even balance between that branch of economy and industry. The economy of a country must be as proportionate as the figure of a well-built man, in which electrical power takes the place of his heart, and scientific laboratories and institutes guide and co-ordinate the functions of all branches of the national economy just as the head of the man controls the actions of his muscles and limbs. In carrying out this industrialization of China, the new economic system of *Min-Seng-Chu-I* will draw the best from both capitalism and socialism, and in the shortest space of time raise China from a backward agricultural economy to one of the foremost industrialized countries of the world.

9.

We have already looked at the similarities between the first principle, *Min-Chuh-Chu-I*, and the policy of nationalities of the socialist system adopted in the Soviet Union. These two systems guarantee to the different ethnic groups within the nation complete cultural autonomy, political freedom, and economic equality.

Since China has been a homogeneous whole for nearly two thousand years Dr. Sun Yat-sen had no need to equivocate on the meaning of "nation" and "national independence." Lenin was not placed in so favorable a position. He had to make concessions to the chauvinistic tendencies inherent among the intellectual strata of the populations of the various ethnic groups, such as the Ukrainians, the White Russians, the Volga Germans, the Georgians. As a sop to their chauvinism he quibbled on the meaning of "nation," by proclaim-

ing that each ethnic group had the right of secession. This right, although existing on paper, is really no right at all; for it is unthinkable that any constituent member of the present Union of Soviet Socialist Republics would be able to enforce such right by actually leaving the Union.

The sublime sagacity of our ancestors welded the heterogeneous masses of the inhabitants of the east Asian mainland into one conglomerate mass of the Chinese people; the inherent tolerance derived from successive schools of philosophy engraved on our body politic the ideas and ideals of internal unity so that Chinese, Mongol, Manchu, Turkoman, and Tibetan all form the *Chung-Hua* nation. The absence of the so-called right of secession, therefore, bespeaks a purer nationalism than the Soviet policy of nationalism.

Again, the principle of nationalism, *Min-Chuh-Chu-I*, does not visualize physical adherence of other states or nations to the Chinese Republic. The *San-Min-Chu-I* of Dr. Sun Yat-sen is a doctrine and a teaching which by its appeal to reason will triumph throughout the world. It can never be interpreted as a militant code of intellectual aggression, to be used as a weapon in the way the Trotskyists tried to turn the teachings of Marx and Lenin into a dogma for world revolution and a panacea for all the economic ills of the world.

The defects of such theories, pronounced by Marx in the first place and elaborated by Engels, have been illustrated by the uses to which they could be turned by successive thinkers like Lenin, Trotsky, Kautsky, and the latter-day Social Democrats of the European countries. By advocating an economic theory, socialism, on which the livelihood of the people could be raised to a higher standard, Marx and his disciples grafted a political and social system which tended to ignore the heritage of civilizations and cultures. In this fundamental defect lie the sufferings of the Russian people from the outbreak of the October Revolution up to the end of the First Five-Year Plan. It was only at the conclusion of that decisive period that the physical sufferings of the Soviet People came to an end and a new dawn broke for them—the coming of socialism in their country.

This does not mean to say that the methods employed by Lenin were not necessary for carrying out the bolshevik basic policies of land nationalization, and the removal of class dis-

tinctions by introducing democratic principles to a people steeped in the Tartar tradition of absolute government and paternal administration. The Russians must be taught to know what is suitable for their own country, just as Chinese should be taught to know what is suitable in theirs. However, when the theory of the proletarian revolution was grafted onto a country like China it required a considerable stretch of the imagination to see in the unemployed coolies anything but a "*lumpenproletariat*," a social and economic adventurer; and in the minute number of industrial workers in the Treaty Ports a proletarian mass of skilled and disciplined workers who could assume and control a social revolution.

10.

The development of socialism in Soviet Russia has brought about even closer similarities between *San-Min-Chu-I* and Leninism. Internal unity has been achieved; religious toleration has reappeared as a national policy; unemployment has disappeared; and the distribution of the national wealth according to the value of work contributed to the state by all strata is tending to be more equalized. This does not mean that in detailed categories of work there is absolute equality; it merely means that in the major categories, such as between mental and manual labor, between male and female, and between rural and urban labor, the discrepancies are lessened.

When we examine the two most important questions of present-day economics which have to be solved—distribution of commodities and unemployment—we find that greater success has been achieved under the socialism of the Soviet Union than in the capitalism of the Western European and American countries.

In 1932 in all the railway stations of Moscow there were notices giving a list of the factories where labor was urgently needed. Such notices were posted in nearly all parts of the old industrial areas, as well as the new ones being built up in the far-off Urals, Siberia, and even in the former colonial areas of Uzbekistan and Turkmenistan. A year or two later the Soviet Government announced that the problem of unemployment had been solved by having all able-bodied men and women engaged in some productive task. There were

housewives, but even they were classed as being in production. Servants were permitted to be members of the trade-unions which were reserved for productive workers. And by and large, the great masses of the annual labor surplus coming from the rural districts were absorbed into the large industrial and agricultural enterprises which were built under the First Five-Year Plan.

The fact that large productive units were created under planned and socialized economy meant that the question of distribution could be solved more readily. Through factory co-operative distribution, the masses of the industrial workers could be provided with commodities substantially sufficient for their daily wants; through the village state farm and collective farm co-operatives, the masses of the rural population could be served in the same manner. The workers in the government and administrative offices also were supplied with the necessities of life in their co-operative restaurants and shops. Over and above these were the commercial co-operatives, which stocked commodities which could be bought from surplus wages. Last were the clinics, rest houses and sports organizations, which assisted in the distribution of amenities of life not supplied in the ordinary co-operatives. By means of the distributor co-operatives the Soviet masses obtain the fruits of national production commensurate with the amount of labor they give to the state.

In these two important questions of national economics, China can learn much from a study of the socialism of Soviet Russia, since in these we find *Min-Seng-Chu-I* being put into practice. It is as though we have been provided with a laboratory in which the tenets of Dr. Sun Yat-sen have been tried and found to be sound and practical. But among some of the comrades of the party there still remains much misunderstanding as to the real content of socialism. They sometimes even think that all property has been nationalized, that no one may own anything, not even his clothes and personal belongings. This comes from ignorance of facts due to refusal to read and study what is being done in Soviet Russia.

In Soviet Russia individuals are permitted to build and own houses, but they may not own the land, which is held on a lease from the government. They may own motorcars which they may purchase with their savings. But they may not own

the "means of production"—that is, machines by the use of which they may exploit the labor of their fellow men for their own profit. Therein lies the essence of socialism. However, since China still lags far behind other countries in economic development, the Father of the Republic recognized this by specifically laying down in his *International Development of China* that "China has to begin the two stages of industrial evolution at once by adopting the machinery as well as the nationalization of production."

Our broad aim is to develop national capital and increase national production. By national ownership and management of large-scale industries and other enterprises, we shall be able to make great strides in solving the problems of unemployment and distribution among the masses of our people. Then on this state-owned industrial base we shall be able to encourage the growth of private manufacturing and agricultural enterprises, so that the general masses of the entire 450,000,000 people can be raised to a higher standard of living, and thus a great forward step is taken in the realization of the principle of People's Livelihood.

11.

From its inception in 1917, the doctrinal base of the Soviet Government was in the theory of the dictatorship of the industrial proletariat. The substance of this applied to Russia by Lenin was that, inasmuch as the Russian aristocracy and bourgeoisie were socially and economically enmeshed in skeins of feudalist tradition and prejudice, and entangled with the big international capitalist and armament magnates, connections which would lead inevitably to policies of expansion, colonial exploitation, and the adventures of imperialist wars, the situation called for a radical solution. It called for a major surgical operation on the body politic of the Russian state. It called for the substitution for the aristocracy and bourgeoisie of the workers and peasants as the ruling classes in the Soviet Union.

In his appeal to the Czarist generals, Trotsky used the argument that an independent and strong proletarian Russia was better than a weak, carved-up, bourgeois Russia, such as would have resulted from the victory of the counterrevolutionary Kolchak, Wrangel, or Denikin, who were receiving

assistance from the main imperialist Powers. This assistance obviously was not being given for nothing. Some *quid pro quo* must have been the basis upon which money and arms were being shipped to the White armies in so many parts of Russia.

The measures used by Lenin and his associates were most radical ones. To our minds, they had their historical background in the Tartar tradition of ruling and administration, which was embedded in the mentality of the Russians from their century-long subjection to those alien conquerors from the steppes and the deserts. Hence, it is felt that such methods might have found sympathy among the masses of the Russian peoples and were tolerated by them. But in China such methods would be deplored, and would not receive the support of the masses of the people, including the intellectuals.

The doctrine of the dictatorship of the proletariat through its "vanguard," the Communist Party in Russia, is conceived to give power to the Communist Party for such a period as would be required to establish an economic system whereby the ideal, "From each according to his ability, and to each according to his needs," would eventually prevail. Such a system is based upon a higher development of production than the world has ever seen. From the point of view of practical politics, the attainment of that level of production would require upwards of half a century to a full century even in Russia with its five-year plans. Thus the dictatorship of the proletariat through the Russian Communist Party must continue for that period until it is succeeded by the withering away of the state and the emergence of a truly Communist society.

In China today we have a system of the dictatorship of the Kuomintang. The party of Dr. Sun Yat-sen rules the country as the trustees of the people. It rules according to *San-Min-Chu-I* as a dictatorship during a period of political tutelage when the country is being guided toward the consummation of two fundamental tasks: resistance to the invasion of imperialist Japan, and preparing the people for constitutional government.

In contrast to the Russian Communist Party and the doctrines of Marx, Engels, and Lenin, the Kuomintang at the introduction of the democratic Five-Power Constitution will

give up its dictatorial power and become one of the political parties of the body politic of the Chinese Republic. Other parties will be independent and, as associations of free persons, will be free and equal under the laws of the Chinese Republic. The trustees for the welfare and the safety of the Chinese Republic will then be, not the Kuomintang alone, but the entire Chinese people under a democratic constitution. This is a very important distinction between our *San-Min-Chu-I* and the system of the Soviet Government.

In the past the social democracy of the Chinese people and their cultural heritage have been such that we have been able to "calm the savage in man." China was conquered by the Tartars, the descendants of the same Genghis Khan who conquered Russia. In Russia the conquering Tartars ruled for centuries. But in China it was finally the conqueror who adopted the ways of the conquered because there was a higher culture and civilization to dominate over a lower and less developed people. In Russia the ruthless Tartars implanted their low standards upon a simple forest folk, and left a tradition of intolerance and severity which is only now being erased.

In China through the ages we have experienced the upsurge of movements, "isms," religions, and the expressions of human emotions in different forms. But we have found through our vast history and experience that individual freedom will have its final victory. Therefore the Kuomintang in accordance with *San-Min-Chu-I*, having fulfilled its mission of tutelage, must release its power and, through the Five-Power Constitution, establish a full democratic government in the Republic.

CHINA'S WAR AND PEACE AIMS *

1.

IN JULY 1937 we first took up arms to oppose the Japanese invader. Let us see what position this war of resistance occupies in our National Revolution; its import and significance in the light of our glorious history of the past fifty centuries. Let us inquire into its achievements and make clear in our minds what is meant by carrying on this struggle to its bitter end, and what is our ultimate war aim. We will also analyze the lines of policy to follow in building our new state; wherein lies the defect of capitalism; what is the difference between *Min-Seng-Chu-I* and capitalism. Finally, we must know how a rich, strong, and democratic new China may be constructed according to *San-Min-Chu-I*.

2.

To evaluate the war of resistance in the light of Chinese history, it is necessary to understand our revolutionary movement. Since 1911, when the Chinese Revolution began, we have overcome many obstacles. The usurper Yuan Shih-kai was toppled from his self-raised throne. The northern expedition from Canton against the rapacious warlords was carried to its successful conclusion; and Nanking came to be the nation's capital. Alarmed at our unity and growing strength, Japan struck at Shenyang (Mukden) on September 18, 1931, and rapidly seized all of the three eastern provinces. Six years later, on July 7, 1937, she pursued her aggression further by the Lukouchiao attack. Finally, goaded to desperation, we took up the challenge and struck back furiously at the invader at Shanghai on August 13, 1937. This total war, which we are determined to carry on at all costs, is the culminating point in one of the historical epochs in our life as a nation. It is the very opposite of an imperialistic gamble for colonial space and natural resources. It is a war for our freedom to survive and develop as a nation.

* Part of a lecture delivered at the Section for Party and Political Training, Central Training Institute, Chungking, November 2, 1940.

The Revolution, first set in motion and then kept in full flood by Dr. Sun Yat-sen, has not yet run its intended course, though it has behind it an eventful history of more than fifty years. We are still striving for its full realization according to the instructions of the Father of the Republic.

3.

Why do we go through thick and thin and dare death itself to carry on the Revolution? First of all, we want to restore our freedom and independence, which were curtailed since 1842 by the Treaty of Nanking with Britain. Though we still presented the façade of a sovereign state, important elements of our sovereignty were lost after our defeat in the Opium War. Other imperialistic countries followed the precedent thus set and wrested whatever privileges and rights they could from the effete Manchu Government. Unequal treaties became festering wounds. We were not, it is true, a colony of any particular power, but became a semi-colonial country under the heels of various powers. Therefore, over fifty years ago, those patriots who realized the danger we were in started a widespread movement for national revolution to halt a decline which was leading to sure ruin.

In a narrow sense, the Revolution was pointed at the corrupt Manchu Government, which served as a magnet to foreign aggression. So our watchword then was, "Expel the Manchus, restore (the sovereignty of) the Chinese." Actually, that was only a small part of the purpose of our nationalist battle cry. After the downfall of the Manchu Empire in 1911, many thought our work was done. That was not so. After even thirty years, our nationalist movement has not yet reached its goal. From 1911 to 1927 we had not even attained the internal unity upon which to start building a progressive, powerful modern state. Just when this was about accomplished, foreign invasion struck our land to break up this unity by force, and continue the imperialist policy of "divide and rule" a weakened China.

Therefore, in a broader sense, the Revolution now had to turn its face outward against the external aggressive forces themselves. For, though internal strife due to inequalities among the constituent ethnic groups of a country may be fatal to its independence, foreign aggression in any form,

when it is not vigorously resisted, will finish it off even more quickly. Among the imperialistic powers Japan is the most brutal and rapacious. At Lukouchiao she embarked on her long-laid plan of military conquest, leaving us no choice but to stand up and fight.

Now, a revolutionary movement can be directed purely against outside domination, as in the case of the American Revolution, or have internal political aims to overthrow the ruling autocracy and institute a democracy instead, as in the case of the French Revolution; or else it may be politico-economic, taking the form of a gigantic class struggle, of which the Russian Revolution is an example. Our revolution combines the first two qualities with an element of the third. So, although the decadent monarchy was torn down long ago, our mission is but partially fulfilled. The present war of resistance, when reviewed in its proper background, forms an inseparable part of the Chinese National Revolution.

4.

If a nation, unwilling to be the bondslaves of another one, starts a revolutionary war and continues it despite all obstacles, success is a certainty. In the sixteenth century, before the rise of Britain and France as world empires, the dominant power in Europe was Spain. The King of Spain was, at one time, concurrently Emperor of the Holy Roman Empire. At that time, Holland was crushed under Spanish tyranny, her people suffering from a thousand exploitations and indignities from the conqueror; and the Netherlands, finding it more than they could bear, rose up in rebellion. For seventy-odd years they continued their war for national freedom, till the Spaniards were driven out of their country and a free independent state of their own was established. Two centuries and more after the rise of the Dutch Republic, France achieved dominance under the leadership of Napoleon. As she extended her domain to the whole of central and southwestern Europe, Napoleon put his brother on the Spanish throne with a French host of 100,000 to protect him. But the Spaniards had no desire to be French slaves, rebelled, and fought the invaders. After years of heartbreaking struggles, they too obtained their emancipation.

I give only two illustrations, though history is full of them.

Spain and France, in their heyday, were mighty imperialistic powers with matchless armies; while revolutionary Holland and Spain were weak states. But because the fearless revolutionary forces were vital and progressive, they got what they aimed at—freedom.

5.

In 1937, when our preparations for national defense were yet incomplete, undertaking this war of resistance was regarded with doubt and apprehension by some of the intellectuals and the general public alike. Without the least semblance of heavy industries, but with the merest cadre of a modern army, navy, and air force, they asked, how could we accept the challenge of an antagonist who had had years of peace and preparation since his smashing victory over imperial Russia in 1905? It is true that so far as armament is concerned we were pitting sticks against stones. But wars, and particularly wars of liberation, are not fought with arms alone. That sort of armament obsession was found not only in our own ranks, but among the enemy as well. At the first encounter at arms, therefore, the Japanese planned to crush us with five divisions of their well-equipped army within three months. But we are still here, stronger and more determined than ever, having engaged forty-two of his modern divisions, having inflicted on him over a million and a half casualties, and are bogging him deeper every day in the quagmire.

How could we last so long? How did we win so many marvelous successes to lay the foundation of ultimate victory? The answer is this: When we set out in our war of resistance we had the naked realities of our situation before us; we saw then the contrast in armaments between ours and those of the enemy. But we were equally aware of historical advantages and natural endowments of our people, to which the enemy was blind, and which happily give us a certain superiority over him.

6.

I have already cited two examples from history. If a nation strives heroically for freedom and, when threatened by an aggressor, will launch a nationwide resistance to fight him to the bitter end, the freedom-loving people are sure to win

their liberty sooner or later. This is an immutable law proved by a wealth of historical instances.

Furthermore, we in China are armed with the revolutionary *San-Min-Chu-I* as a guide to our march, a key to certain success and a binding force for pitting the whole nation as one against the enemy; such a spiritual fortification can amply make up our material deficiencies. From the beginning of the war up till now, the enemy has again and again made offers of peace on his terms, but we have consistently spurned his vile offers. There is no question of our compromising halfway, for ultimate victory is drawing nearer every day.

Our natural endowments are what the Chinese race have accomplished and acquired by patience, endurance, and the overcoming of myriad dangers through fifty centuries. First, we have an immense territory of 4,500,000 square miles, almost equal to the total area of all the European countries. After the U. S. S. R. and the U. S. A., we rank first in the size of territory. Secondly, as our lands extend into the subtropical, the temperate, and the subarctic climate, we have agricultural products in great abundance and variety. We have natural resources in store underneath the earth in enormous quantities and of many kinds. Although our industries are still undeveloped, we can make use of our great reserves of manpower to speed up the work during wartime. Except Russia and America again, no other country in the world is our match. Thirdly, our population of 450,000,000 are highly intelligent, if uneducated. Soviet Russia with her 190,000,000, America with her 135,000,000 and India with her 380,000,000 are all behind us in this respect. Before war was waged, we took these into our estimate as potential and ponderable elements which must contribute to ultimate victory. It has not been, nor will be, proved that we were wrong.

We are used to saying that we will fight on to the bitter end. Now, what is that bitter end? Some cynics and skeptics would explain it as the moment when our armed forces are shattered, our lands scorched, our material resources exhausted, our morale broken, and we can carry on no longer. This is sheer defeatism, nay it is malicious propaganda from Tokio. The authentic explanation is that when the enemy is driven clean out of the country and has to stop fighting, we shall have reached that end. As long as there is still a single

hostile soldier on this land, we have not yet come to the bitter end. To be more definite, we shall not be satisfied with the *status quo ante* Lukouchiao, because Japanese aggression began long before his attack at Lukouchiao. Mukden is still fresh in our memory, and when we have cleared the invading hordes out of south, central, and north China, we will march forward in battle array to Manchuria, our northeastern provinces. There, 35,000,000 of our countrymen have been trampled under the "iron hoofs" of the tyrant for the last ten years; their groans are not unheard, their thralldom is not forgotten by us. If, in the end, the great Northeast is not restored to our fold, or north China is to be treated as "a special area," our campaign of resistance will be altogether meaningless.

7.

To be an independent state, it is necessary to grow rich and strong. What we have lacked are warplanes and guns of large caliber. This will be a matter of no insuperable difficulty. Heavy industries, the basis of national defense, could be established within four or five years after the victory. When the Soviet Revolution was won, the First Five-Year Plan exclusively devoted to heavy industries was accomplished in four years. What the Soviet Union has done, there is no reason why we cannot do. After the heavy, the light industries could also be built up by us in due course. Furthermore, when victory is ours, the ocean lanes would be wide open for communications. It is a practical proposition that as soon as the war is wound up, a considerable number of American armament or war plants, which otherwise must be dismantled or fall into disuse, could be bought by us at no considerable cost, to be erected here. After 1918, American armament industries were suddenly brought to a standstill. Machinery and ships were laid aside to rust. Had they been acquired by us then, our national defense industries might have had a fair start. Unfortunately, the Peking Government under the warlords paid no heed to that sort of thing. Now, as the opportunity offers again, we must not miss it, so that whenever an emergency arises, we shall no longer need to rely solely on foreign help. In one word, the requisites of a strong country are not impossible to attain.

To maintain the strength of a state, a liberal supply of powerful armaments is indeed indispensable, but without bountiful resources favored by nature, plus massive economic productivity, that strength may be found standing on feet of clay. Japan, whose national cult is militarism, is definitely not a weak state, but nature is niggardly toward her, and her economy is not really strong. We want China's strength to be well founded.

Economists tell us that national wealth consists in developing the potential productivity of the land and improving agricultural conditions to increase crop production. That is all very well. For thousands of years, China's sustenance has come from farming, and yet the peasants are so poverty-stricken that a good fat year means only they are free from famine; while, if a bad lean one occurs, starvation and death must stalk abroad. Therefore, merely to depend upon agriculture cannot give the people a decent living, let alone make them rich. The conclusion is that we must make industry our major branch of economy and farming our subsidiary occupation, for often the latter has to rely on the former as a motivating force, though in a broad view the two are complementary to each other. But above all, our production should be industrialized and modernized to the utmost degree.

8.

The old way of industrializing a country was to develop through capitalism, as Britain and the United States have done. That may accelerate production, but *laissez faire* distribution would nullify many of the advantages to be derived from that system.

For example, the achievements of the United States, commonly recognized as "the country of gold," may be cursorily examined. According to certain estimates, the total national productive wealth of the country, if equally distributed among her citizens, would entitle every person to a \$5,000 share of the division. But actually, as capitalist economics are followed, systematic planning for distribution is absent. Hence even the people's bare subsistence remains a serious problem, in spite of the high efficiency at certain periods in the expansion of industry. A wave of economic depression

sweeps over the land about every ten years, resulting in a sharp decrease in production, general unemployment, shrinking of consumers' purchasing power, and widespread bank failures. The common man not only has no \$5,000 *per capita* share in the nation's productive wealth, but can hardly obtain his bread and butter.

During the last six or seven decades, such crises have occurred again and again. When I was in America, in 1910, some people blamed the solar black spots for causing all these economic troubles, saying that sun spots had some influence on the weather, which adversely affected farm crops, which in turn affected industrial production. Heaven therefore was the cause of American business depressions! The last depression began in 1929. In 1929-32 unemployment rose to the peak number of some 16,000,000; if on the average each person had to support two dependents, 48,000,000, or about two-fifths of the population of the United States, must have been hard hit by the depression. About two-fifths of the people of "the country of gold" were dependent on government relief. When Mr. Roosevelt first assumed the presidency in 1933, banks throughout the length and breadth of the country were stopping payments to depositors. Roosevelt then devised and inaugurated his New Deal program.

The first concern of the New Deal was to raise price levels. It was thought that falling of commodity prices caused loss to factories and ultimately forced them to close up, which bred unemployment. This, when general, reduced the nation's buying power. Therefore, to cure the disease, prices should be artificially forced up.

The second remedy was to decrease the output of production. The falling of prices was regarded as due to overproduction; hence, productive power should be curtailed. For instance, if a farmer had been used to cultivate one hundred acres of land, he was now instructed to reduce his acreage to half, the expected income from the other untilled half being subsidized by the government. What had been planted exceeding the quota was to be pulled up by the roots; reaped crops were to be burned.

After the New Deal had already been practiced for seven or eight years, the army of the unemployed was still millions strong. The Federal Government had to supply them

with work. Needless highways were built, and unwanted buildings erected. But the question of unemployment was still not wholly or fundamentally answered. The president of the University of Michigan published in 1934 his statistics that in that year, 16,000,000 American youths, male and female, ranging from sixteen to twenty-five, were unable either to continue their education or to get any work. These young people could find no way out; they were not needed by society or the nation. America, the richest country in the world, on account of her capitalist maladjustments, thus found her public welfare seriously endangered.

The same thing happened to Britain after the first great war, for then her unemployed went up to several millions.

Now, to support a highly industrialized economy, there are other ways. Germany, while the main structure of her production was still capitalistic, subjected her national economy to fascist dictation. In 1932 her unemployed numbered 8,000,000. After the rise of Hitler, all large-scale enterprises were put under his dictation; thus the regulation of the quantity and quality of her peacetime production was turned to her requirements in wartime. State control was absolute. As a consequence, unemployment practically disappeared.

Next, there is socialist Soviet Russia. Her industries are modernized and rationalized, and her agriculture collectivized and mechanized. Both are either owned or directed by the state. Production as well as distribution is planned throughout by the government, with the result that of her entire population of 190-odd millions, not a single person is without a job. In the future, when Britain and America attempt, as they must, to solve their problems of unemployment, it is not predictable whether they will adopt fascist or socialist practice.

9.

We do not want to traverse the same old way of capitalism which has been trudged with so much wasted labor and heartbreak by Britain and America. We do not wish to let competition or monopoly go unbridled and increase our social troubles. What we have set our minds to is a state built along the lines of *San-Min-Chu-I*. *Min-Chuh-Chu-I* aims at internal equality between the different constituent ethnic

groups as well as at the external equality between ourselves and others. *Min-Ch'uan-Chu-I* is for founding a genuine democratic polity, so that the people can directly participate in national and local public affairs alike; and, as powers of the people and functions of the government are clearly defined, the latter can be made to perform its tasks efficiently. *Min-Seng-Chu-I* is comparatively difficult to understand, for it presupposes a full knowledge both of new economics and of the existing realities of the country.

At this point we must have a clear understanding of the difference between *Min-Seng-Chu-I* and capitalism. In the first place, the motive and aim of capitalist production is private gain and profit; whereas our *Min-Seng-Chu-I* looks forward solely to affording subsistence for the whole nation. In the system of *laissez faire*, free competition holds indisputable sway; the volume of production must be swollen to the utmost degree and the cost of the same lowered as much as possible, in order for the manufacturer to undersell competitors and reap the maximum profit. Thus the blind expansion of output often leads to excess of supply over demand, which will naturally cause the dropping of prices. On the part of factory owners, therefore, a sharp reduction of workers or outright closing down of workshops is the most rational way to avoid loss. But for the workers, such a dose must be more than they can take.

Min-Seng-Chu-I proposes, on the other hand, to institute a planned economy. All large-scale enterprises are to be operated and managed by the state for supplying the needs of the whole nation, so that even if there is loss, no factories would be shut down, provided there is a demand for their products. If it happens that supply does grow excessive and factories have to be closed down, the labor force thus saved can be diverted to other channels where it will be equally profitably used. This is impossible in the case of private ownership and operation of industries. For sustaining loss, the state has the capacity denied to individuals or corporations by calling on its revenues and profits which can be taken and made up from other quarters. So enterprises beneficial to the people will be maintained, while unnecessary ones will not be allowed to exist. Meanwhile, as the quantity produced is planned beforehand, both excess and shortage may be pre-

vented. In this way, the ills of capitalism are anticipated and avoided.

In the second place, the means of production in capitalist countries are private property, while in the economy of People's Livelihood, these would ultimately belong to the whole nation. Through the control of capital during the period of the rapid expansion of our economy and its transition from agriculture to industry, we shall prevent the growth of large privately owned corporations and companies of a monopolistic nature. Medium-sized capitalist enterprises will be tolerated, but the decisive role must be played by state enterprises.

Gradually the private *entrepreneur* will find that he cannot compete with the large state enterprises, and he will disappear and be absorbed by the national section of industry.

In our planned economy, all the means of production, including land, will belong to the nation. And so long as the supplies of commodities are insufficient to meet the day-to-day demands of the people, the factories will not be closed. By developing an efficient system of distribution, the necessities of life will be made available to the masses of the population without allowing surpluses to accumulate in the hands of a few men. For *Min-Seng-Chu-I* aims at avoiding, or at least reducing, the pains of transforming an agricultural country like China into a well-balanced economy based on industrialization.

10.

It is not enough that we as a nation grow prosperous; we must ensure that our national wealth will be more evenly distributed. Excellently goes our ancient admonition, "Do not fret over scarcity but worry about unequable sharing." A state of general poverty is bad enough, but not so bad as inequality in sharing the necessities of life. This is the cause of social disturbance.

To sum up, in constructing a new China, *Min-Seng-Chu-I*, not capitalism nor communism, is going to be our guiding principle. The Father of the Republic explained this principle, when he formulated the term, by saying that it is none other than socialism, which means the national ownership of all land and all means of production, such as factories and

plants, all communications and transport, all power plants and mines, and, upon the fulfillment of certain conditions, farming as well.

At present, we may assert that our Kuomintang is the leading party for waging this war of resistance. There are others besides us, such as the Communist Party, which has its own armed force. After the war, however, if a serious effort is not made to build the new state in accordance with *San-Min-Chu-I*, it is to be feared there may be again internal strife. In the past, we went through years of civil war; now, in throwing the Japanese aggressor out of our beloved land, we are experiencing an ordeal of fire and death and devastation unknown even in our long history. It is high time, then, that we accelerate our state construction in peace as soon as victory comes. We cannot afford to waste time in bickering among ourselves. The enemy may come again taking advantage of our indolence and division. So to live in glory or to perish ignominiously depends upon whether we are able to build a vigorous and prosperous state in a few years after the pattern mapped out in *San-Min-Chu-I*.

When that is accomplished, security can be assured to the Far East, and world peace is possible. Japan's "Co-prosperity" has now proved to be a grotesque lie. In the Far East and on the eastern shores of the Pacific, we alone are the deciding factor for stability and harmony. Korea was formerly our dependency; Indo-China and Burma once looked up to us as their suzerain state. We cherish no selfish territorial ambitions toward them, but when we grow strong enough to be solicitous of their welfare, they may regard us as their kindly senior brother. We must have such aspirations and self-confidence as to make China both peaceably strong and equally rich, then to infuse well-being and inspire friendship with one another among all the oriental nations, and finally help to lift humanity to the state of *Tatung*, or universal brotherhood.

SAN-MIN-CHU-I AND WORLD RECONSTRUCTION *

1.

THE FATHER OF THE REPUBLIC formulated *San-Min-Chu-I* with the immediate aim of delivering China; but his ultimate goal was the reconstruction of the world. During the interval between World War I and the present conflict, the attention of our own thinkers was directed more to the application of the Three Principles for the solution of the problems of China than for the purpose of analyzing the fundamental ills besetting the world, and of applying the teachings of Dr. Sun Yat-sen as a theoretical basis for a true world democracy, political,*social, and economic.

Today it is different. Mankind is once more confronted by a catastrophe all the more disastrous because it goes far beneath the physical or the immediate causes of the outbreak of hostilities. It goes down into the ethical and moral causes permeating the entire world population, from the highest to the lowest, from the most intelligent to the most ignorant.

Who would have thought that, in the twentieth century, intelligent men of a highly developed people like the Germans would put up with a megalomaniac and intellectual humbug like Hitler as their leader? Or that they would naïvely subscribe to the ridiculous race theories of Rosenberg? How could men like Pétain and Laval sacrifice French freedom by delivering into the hands of the Germans hundreds of thousands of the flower of their youth? How could Quislings raise their heads and gain the support of even a small part of their countrymen on the pretext of so-called patriotism? And above all, how could the world's leading countries have stood aside with folded arms as disinterested onlookers, when in 1931 the Japanese invaded and seized our three eastern provinces, thus initiating and letting loose the trend of international lawlessness and robbery culminating in the present holocaust?

Among the world's leaders in the fateful years of the thir-

* Address to Central University students in Chungking, April 20, 1941.

ties there was no more pathetic figure than that of Haile Selassie sitting alone in the great conference hall of the League of Nations after the last of the delegates and the spectators had filed out of the chamber. He had been crucified as surely as had the King of the Jews. That was the level to which international morale had sunk. And this degeneration of Western civilization has brought it near to disaster, which would have been complete had Hitler, Mussolini, and the Japanese militarists succeeded in their plans for world domination.

Amid this scene of brutish cruelty and moral degeneracy we have come to realize that *San-Min-Chu-I*, long regarded as of merely national significance, has suddenly assumed a world-wide importance. By implication it crystallizes the aspirations not only of the Chinese people, but also of the peoples of the world that a third catastrophe shall not occur again.

A study of the writings and speeches of the leading men of the world discloses a confused yet ardent groping toward some truth which can be applied to the conditions of the twentieth century. These confused utterances, when sifted to separate the grain from the chaff, show that the higher standard of living yearned for in the domestic lives of nations corresponds to our *Min-Seng-Chu-I*, economic freedom toward a better and rising standard of living for the masses of the people; their proposal for universal application of the democratic principle agrees with our *Min-Ch'uan-Chu-I*, political freedom within each nation; their demand for wholesale liberation of colonies and the granting of independence, freedom, and equality to weaker nations accords with our *Min-Chuh-Chu-I*, national freedom for the nation-states; and, finally, their design for a world-wide union of the democracies to ensure peace and outlaw war is nothing but the formulation of our ideal of *Tatung*, or universal brotherhood. Since these views are all in harmony with our *San-Min-Chu-I*, formulated scores of years ahead of contemporary thinkers by the Father of the Republic, we become all the more convinced that those principles can be the salvation, not only of China, but of the world as well.

One of the first prerequisites for solving the problems of China as well as of the world is to analyze frankly and sincerely the causes which underlie the weaknesses and maladies of the nation.

It is common knowledge that, though our international status has now been much improved, we have since 1842 been treated as a semi-colonial country by virtually all powers, both great and small.

How did this come about? It is because China in the past has suffered from chronic internal maladies due to the maladministration of the Manchu rulers. A political and economic system imposed upon us by the alien rulers helped to maintain their domination for three centuries. The Manchus politically based their rule upon mass ignorance. In the economic sphere our alien rulers followed policies aiming at a regime of mass poverty through exploitation of the peasants and producers for the benefit of the landed gentry and their overlords, the corrupt mandarinates. How did it happen that the entire nation was bogged down in the morass of crass ignorance? The cause could be traced to the people's lack of political power. This had been given justification by traditional Chinese political thinking, which divided the people into two classes: the governing and the governed.

There was an axiom among the governing class: "The people must be made to behave according to orders, but they should not be allowed to know the reason why." The governing class was out for easy and fat jobs and demanded not only political inequality in its favor, but also the ignorance of the masses. By being deprived of the useful knowledge to which they were entitled, the common people had been successfully kept ignorant, and rendered docile and therefore easily governable.

The second trouble was poverty. How was it that the people were gripped in gruesome poverty? The answer to this question lay in the complete analysis of economic conditions during the reign of the Manchu Emperors. The process of pauperization which penetrated through the entire nation was a gradual deterioration of the economic life of the Han people which flowed directly out of the inherent defects

and inefficiencies of the Manchu and the Chinese traitor-bureaucrats who served them. The division of the farm lands into minute holdings resulted in uneconomic rural production; the stripping of the lands for forage crops meant a decrease in the number of animals available to the farmers; the falling into disrepair of the roads led to the economic and social isolation of districts; the lack of repair to canals, dykes, and water conservation works spelt famine from drought and flood throughout the length and breadth of China. All these things found their background and causes in the political and social system maintained by the Manchus and their henchmen. This was a system which was a throwback to feudalism.

Dr. Sun Yat-sen grew to manhood in a village community in which all the decadence of the Manchu regime was evident, accentuated by the contradictions imposed by the advent of Western political and economic forces in this country. He saw a system of poverty which made the lives of the vast majority of his people seem a hopeless burden.

The third trouble was weakness. The reason for the weakness of the people must also be studied in the light of domination by the Manchus and the blow struck by Western political and economic forces against the outer fabric of Chinese sovereignty. During the years of Manchu rule the Chinese people as a whole appeared to have shrunk back into their inner selves. There was no direct contact between the masses of the people and the ruling house. The only contact maintained was that with the Chinese traitors and sycophants who served the Manchus, and who formed the corrupt mandarinat. These men developed into a powerful and self-perpetuating group. Their interests became those of a new class. From the very fact that they were ready to be willing tools of the alien conquerors, they were inclined toward, and later committed to, a policy of rule whereby the power of the Manchus was enhanced and maintained. This could only be done by frustrating the people, thereby reducing them to a state of despondence and weakness.

The people were rendered effete, intellectually as well as politically, for centuries; as a result the country became degenerate, stagnant, and inert. It was only the potential energy of the massive body which had been built up by our ancestors

in the ten centuries before the Manchus, under our native Tan, Sung, and Ming dynasties that enabled China to maintain her position of supremacy, until the first contacts with the West showed her power fragile and illusory.

When we were drawn into the ambit of international power politics a little more than a hundred years ago, defeat after defeat was suffered by our country, and the people became accustomed to regard the nation as naturally weak. "Others act as knives and cutting board, while we serve as fish and meat," was the usual effeminate complaint.

From these three maladies China had to be given a complete cure. Dr. Sun Yat-sen probed our national pathological condition to the depths with his keen political sense. He formulated and later advocated *San-Min-Chu-I* as the best formula to meet the situation. But his principles today have taken on a deeper content. Looking at the world situation, we are able to understand more clearly how *San-Min-Chu-I* can be applied to world affairs in order to bring order out of seeming chaos.

3.

We have seen two world wars taking place within a quarter of a century. Why should it be so, when people in every country involved want peace? But peace is scarce and far between; it is little more than a respite between wars. Why cannot harmony and good will be maintained for long? The primal cause is deeply seated in the multiple inequalities among nations; because of them there can be no peace. Only international justice can lay the foundations of world accord.

During the first European war, both the Allies and the Central Powers were vehement in claiming the justice of the cause which compelled them severally to take up arms. Both sides called upon God and man to witness that they fought for justice and peace. England and France also accepted the slogan that they waged war for the defense of democracy. Later, when the United States entered the combat, President Wilson proclaimed that Americans were in the war "to make the world safe for democracy."

For four years, from 1914 to 1918, the war raged with prodigious fury. After the close of the struggle the Treaty of Versailles was signed in June 1919. It was thought all the

world over that henceforth a new reign of peace would be established. From the signing of the Treaty in 1919 to September 1939, only twenty years and a few months elapsed. Again a feast of carnage and gore was set before the peoples of Europe, and world peace completely destroyed.

The causes of this World War II are complicated, but the kernel of the trouble is to be found in the inequalities among nations. Among these the following stand out in bold relief:

First of all, there were the inequalities imposed by the victors on the vanquished. The defeated powers were saddled with heavy loads of war guilt, which should have been shared equally by both victors and vanquished. The Peace of Versailles stipulated in unequivocal terms that the criminal party was Germany, and the German delegates to the Peace Conference had to sign an admission of their country's guilt. The value of that document, the judgment of partial judges, will always be viewed with reserve by history in the light of the morality of the leaders of those nations, who disposed of Shantung Province, the territory of one of their allies, to the safekeeping of Japan, another so-called ally. The German delegates signed this shameful document under duress. This effrontery against international justice gave Hitler a rallying cry by which to mold the German people into an avenging host.

Next, Germany was obliged to pay a stupendous amount of indemnity. The leading financial experts of the victorious countries as well as those of the vanquished vainly declared that the burden was too great for Germany to shoulder. Liberal world opinion argued a case to show that modern war paid no dividends to anyone. The reactionary elements retorted that it is possible to get blood out of stone. With great ingenuity the German financial experts turned the situation to their advantage. Germany asked for and received loans to the amount of some two billion pounds sterling from the victor powers, principally America. The governments of these countries thought that financial shackles were being securely fastened upon Germany, in addition to the political fetters forged at Versailles. Half of this money was used for payment of reparations and the other half was ultimately diverted to rearmament.

Leaving aside the vexed question of colonies, the physical

inequality brought about by nonfulfillment by the victor nations of the promises for general universal disarmament supplied Germany with an additional grievance, and from 1919 to 1932 the Weimar Republic was helpless to deliver the country from humiliations attendant on her defeat in war. The government was looked upon by large sections of their people as being traitorous to the cause of the fatherland. Making full use of that situation, Hitler rose to power in 1933. The National Socialist Party, composed of political and social charlatans, declared that their chief aim in acquiring power was to free Germany from the bonds of the Versailles Treaty. But their true aim was to match violence with greater violence, and confirm injustice with more injustice. So after the Nazis had firmly entrenched themselves in Germany, they embarked on a tremendous and thoroughgoing plan of rearmament which was ruthlessly pushed forward to its ultimate end, a new war.

Until his aggression against little, defenseless Austria, Hitler's watchword—freedom for Germany—was very appealing. In China, bound hand and foot for a century by unequal treaties, there was "the compassion of a fellow victim for Germany." Of course, things are different now. But it is sound to conclude that, mainly due to unfair treatment of the defeated by the victorious after the last war, peace in Europe would only last for twenty years before a new catastrophic clash broke out all over again.

In the second place, the inequalities imposed by great powers upon small and weak nations also contributed to the breakdown of peace in Europe. Nor did Germany after the first European war serve as the only example. Weak nations are scattered all over the world, and what Germany went through has been more or less their daily experience.

In the third place, the inequalities imposed by the culturally or materially advanced nations on the comparatively backward peoples form another source of friction, strife, and bitter feelings that often start wars. The former class, by barefaced, oppressive measures or subtle exploitation, exerts its will upon the latter class. Colonization, opening up of natural resources, selling of goods, etc., are practiced by means of highhanded or crafty methods to the injury of the defenseless. It is needless to dwell on the latter two causes of

international conflict at length, for as a nation we have had ample experience to remind us of their existence.

4.

The question may be asked why there are inequalities. The answer can thus be given: international injustice is due to the growth of imperialism, which in turn originates from the expansion of capitalism. The so-called democracies, standing for peace and justice two decades or so ago, were all capitalistic states even as they are now. Therefore, after victory was won in 1918, what they took most to heart was naturally the private interests of their capitalist class, those of the governing caste, and then the interests of their own respective countries. The welfare of other individuals, classes, countries, and the world at large was nothing to them. For being unmindful of the common good while seeking selfish advantage, which inevitably leads to the world disorder of injustice and oppression, England, France, and America should be rightly held responsible.

Germany's slogan in 1933 that she set out to annul her unequal treaty should have won and did win our sympathy then. But now she is allied to our enemy Japan, and has changed her original role from victim of aggression to aggressor. A great many smaller states in Europe are now mercilessly ground under the heels of the Nazis. Yesterday's opposition to injustice has founded a reign of injustice of its own; the fighter against oppression has turned his coat and become a new slave-driver. That is what I mean by the statement that to match violence by greater violence and injustice by more injustice will create worse inequalities.

Japan's war cry has been to build a "New Order of Great Asia" or "Greater Asia's Co-prosperity Sphere," just as her Axis partners want to establish a New Order in Europe. Such an ominous combination is, of course, all for self-interest at the cost of others. So, if the Axis countries should win in their present gamble, what would be the complexion of that New Order promised by them? There would in all likelihood be imposed a peace more unjust, more oppressively unequal and inequitable than the last one dictated at Versailles.

Whence is this conclusion drawn? To answer this we have to look into the Axis policy with respect to Europe. The ambition of Germany and Italy was to conquer the Continent and partition it between themselves.

Toward the end of 1938, a weekly periodical in Canada published a map for the ten-year plan of unifying Europe which was used by the Nazis for domestic propaganda. At the time people simply dismissed the thing as a fantastic dream. But before long the plan was step by step put into action. In January 1939, the *News Review*, a London weekly, reproduced the map. According to the Nazi blueprint, their plans were: (1) The annexation of Austria in the spring of 1938; and (2) the annihilation of Czechoslovakia in the fall of the same year. These two items were successfully accomplished in the spring of 1938 and 1939 respectively. (3) The absorption of Hungary in the spring of 1939. That country has become one of the Axis Satellites; though in appearance an independent state, she is practically an appendage to Germany, whose orders are divine laws to her; so this bit of the plan has also been carried out. (4) The incorporation of Poland in the fall of 1939, which was done in September that year, according to schedule, and marked the formal opening of this second European war. (5) The liquidation of Yugoslavia in 1940. (6) The overwhelming of Rumania and Bulgaria in the fall of 1940: both these countries were coerced into submission between January and March 1941. (7) The conquest of Switzerland, France, Belgium, the Netherlands, and Denmark in the spring of 1941. This part of the plan was successfully wound up earlier than scheduled, by the better half of a year, for in June 1940 it was all over. The only exception was Switzerland, which is still a neutral. (8) The occupation of the Soviet Ukraine and Caucasus in the fall of 1941.

The initial steps of Hitler's ten-year plan for unifying Europe were precisely what I have enumerated above. My impression when I first saw the map was to treat it as Westerners treated Tanaka's Memorial. The rulers of England and America also treated it as unauthentic, but events have proved that it was a methodical scheme meant by Hitler in dead earnest. The definite time limits fixed in this plan were

from 1938 to 1948. In 1948, Europe was to be entirely under Axis rule. The portions Hitler proposed to dominate include northern Spain and Portugal, the major half of France, the Netherlands, Belgium, Denmark, Norway, Sweden, Britain, Ireland, the three Baltic states, Finland, Switzerland, Austria, Hungary, Poland, Czechoslovakia, Yugoslavia, Bulgaria, Rumania, western Turkey, and the whole of European Russia, with the entire Near East thrown in for good measure. The rest, comprising the main part of Spain, southern France, Greece, Albania, eastern Turkey, and north Africa, was to be ruled by Italy. This was the Axis plan for the partition of Europe. Asia was to belong to Japan alone.

Could this kind of world rebuilding maintain peace for long? Certainly not. The Axis countries declare, on the one hand, that they are fighting against injustice and inequalities; yet, on the other, they are creating new and worse ones. This is irrevocably in conflict with the spirit of *San-Min-Chu-I* and therefore cannot be accepted by us.

What I have just said goes to prove that the "New World Order" planned by the Axis is nothing but a "disorder," since it is to be built on injustice and oppression ten times worse than those to which we are accustomed. If this great war should be ultimately won by Britain, America, and ourselves, what then would be the result? From our standpoint, the new world should be reconstructed along the lines of *San-Min-Chu-I*.

There are, however, critics who might demur. They would say it is well and good to practice these principles in China; but since conditions differ in all the other countries, the guiding principles for dealing with the local situation must also vary from place to place and from China's. It is to be feared, they might argue, that these doctrines could not be exported to foreign lands. This I believe to be utterly mistaken.

6.

Let us make a brief survey of the views and ways thoughtful people in England and America have put forward for rebuilding the world, and then compare them with our three People's Principles.

First, on the British side there is Harold Laski, secretary

of the Parliamentary Labour Party and professor of political science at London University. He has published a book entitled *Where Do We Go From Here?* which may be summarized as follows:

1. The inequalities in the life of the British people must be done away with. By their incomes, Britons are divisible into three classes. Those whose individual annual incomes exceed £2,000 form the ultra-rich group. Of the total population of 47,000,000 in Britain, only $\frac{1}{2}$ per cent belongs to this class, but their aggregate annual income totals 17 per cent of the whole nation's. Next is the middle group comprising 10 per cent of the entire population and enjoying 30 per cent of the national income. These two groups, 10.5 per cent of the British people, together possess 47 per cent of the national income. The third group is the poor making up 89.5 per cent of the total population, having only 53 per cent of the national income. From these statistics, it is obvious that the wealth of the English people is very unevenly distributed: a small minority has a lion's share in the nation's income, while the great majority is rendered so poor as to be unable to have a decent living. Therefore, according to Laski, socialism should be put into practice in order to wipe away inequalities among the people, strengthen national unity, and encourage the common man to contribute his share toward ultimate victory.

2. The British Government should immediately declare that India will be given independence soon after the war. To get full-hearted support from the Indian people in the present struggle, Britain's plans for their future must be made known to them. Though this kind of news is not published in the daily papers, the Indian problem is none the less a grave one. It is to be remembered that when the Viceroy of India declared that India was at war with Germany soon after September 3, 1939, Indian Nationalists publicly denounced the war declaration. They contended that whether or not India was to be at war against another country must be decided, not by the Viceroy acting for the British Government, but by her own people. On account of the conflict, members of the National Congress and their leaders, ten thousand-odd, are still imprisoned. They want the British-controlled Indian Government to give them instant inde-

pendence and the establishment of a national government. If these were granted them, they would be willing to take part in the war by helping Britain in her Herculean efforts to defeat Hitler. They know full well that if ever the Axis had its way, their sufferings could only be increased and aggravated; so their sympathy lies with England rather than with Germany. But, since England is fighting for the cause of freedom, why is this very freedom, they ask, denied to them? Laski therefore advocates giving freedom to India as soon as this war is over. Such a declaration will react favorably in increasing Britain's fighting chance to win the war, if for no other purpose.

3. The British Government should immediately announce the main points of a plan for reconstructing the new world on the basis of justice and equality after the war, and thus rally Europe's conquered peoples and encourage them to rise in open revolt against the aggressors.

Another point of view is presented by a Mr. Davenport, a radical liberal. To untie the complicated knot of livelihood for the British people, he proposes the immediate adoption of state capitalism. The state is to be the only owner of capital: properties such as lands, buildings, factories, means of production, banks, etc., are all to be nationalized. After the process has been carried out, when the state has in hand all the work it can do, lands and tools of production left over could be rented to individuals. Other kinds of private property may be enjoyed by the individual, provided that private fortunes do not exceed £100,000 for each person. Acquired fruits of labor whether mental or manual, above this limit, will be contributed to the state during one's lifetime; after that, all the accumulation will revert to the nation, inheritance being positively prohibited.

By these measures, it is thought, economic inequalities between the rich and the poor among the British people could be abolished and the burden of the national debt removed forever. Before the current war, Britain's national debt amounted to £8,000,000,000. As long as the war lasts, the national debt will increase by £2,000,000,000 a year so that at the end of four years her prewar obligations will be doubled. This £16,000,000,000 requires an annual interest payment of £500,000,000. With such heavy interest, itself a stag-

gering burden, the British people and their future generations would never be able to pay off the original debts. All labor and production of the nation would be exclusively enjoyed by the holders of government bonds and their descendants. In this way, the great majority of the people would be bond-slaves forever. If state capitalism is put into practice or the means of production become state-owned, not only would the menace of national debts be averted, but the ill effects of manipulations by bankers could also be stopped for good.

A third suggestion is made by Sir William Beveridge. According to him, if Britain wins this war, a great federation of European democracies should be organized, among which postwar Germany should be included. The nations incorporated in it should comprise Britain, France, Germany, Denmark, Norway, Sweden, Finland, Belgium, the Netherlands, Switzerland, Ireland, and the British Dominions of Australia, Canada, New Zealand, and South Africa—east European and the Balkan states being excluded from the scheme. This union of democracies would have a population of 235,000,000 and a territory of 8,822,000 square miles, twice as great in both respects as the United States of America. All member nations of this union are more or less alike in culture and manners of living and close in economic relations in the past. Germany is the only country without a democratic tradition; but if she is beaten, her form of government would of course undergo a radical change. Without her participation, peace in the future cannot be guaranteed.

This Federation of Europe would have a federal government to take care of diplomatic affairs, national defense, and common colonies overseas as well as a uniform currency to facilitate interstate trade for the sake of political integration and economic harmony among the constituent members. Within each state, democratic government should be the rule. The federation should have a constitution. Its administrative organ would be responsible to its legislature. The latter is to be made up of two chambers, one elected by the people of the various states and the other representing the states themselves. Finally, there should be federal judicial organs to insure the people's rights, both civil and political, for the sake of social security and political equality. With the permanent peace of Europe as an end, internal affairs of the states on

the one hand and external or interstate affairs on the other are to be separately handled by the states and federal government.

From studies in history, Beveridge found that the form of social security usually underwent four stages in its evolution, *viz.*: self-protection of the individual, alliance, joint defense, and public police. If members of civilized society have to go through these four stages to get protection from lawlessness, there is no reason why states should not get theirs through the same processes. The first two stages have long been a matter of experience among countries; the third one we reached in the League of Nations after the last great war. To attain collective security for countries, it is now necessary to establish an international police system for safeguarding peace. Hence such a union of nations. But Beveridge's plan is confined to a number of European countries only. According to him, great states of the world other than this union of European democracies are, if his plan is actually launched, the United States of North America, the Union of Soviet Socialist Republics, and the Republic of China.

7.

The New Republic, an American journal, has advanced the following ideas for the postwar reconstruction of the world. The Anglo-Saxon nations should lead the world forward thus:

1. Co-operation of the two countries' planning and of technological minds in improving the economic, productive, and cultural status of the whole world.

2. Universal elevation of men's standard of living by means of modernizing production and socializing distribution. Economic life of all humanity should be on a par with that of the American people.

3. Opening up and developing national resources of backward countries with only the benefit of the peoples concerned in view. No capitalists or businessmen of any one of these two or other nationalities will be permitted to exploit the common people of the new nations.

4. Rationalizing the agricultural and industrial productions of all lands, which should be self-sufficient.

The American journalist Edgar Snow, for long a traveler

in China, in an article in *Asia*, called for the immediate abandonment of British and American imperialism, so as to form a common democratic front and cripple Axis propaganda. The governments of these two countries should openly admit that, so long as there were enslaved peoples not liberated, there could be no peace and order in the world. America should sign new treaties on an equal footing and of mutual help with China to aid her recovery of full sovereignty. She should give up all special privileges obtained in the past through political and economic coercion. This would undermine Axis machinations in Asia and lead to winning Soviet co-operation. Meanwhile, Britain and her Dominions should (1) make a declaration for the liberation of colonies and the formation of a world union of democracies, (2) promise independence to India and Burma as soon as the war is over, and carry out immediately compulsory education and training in self-government in these two lands, (3) do the same in other colonies to prepare them for independence, (4) promise to help other victims of imperialism, such as Korea and Indo-China in winning freedom after the war, (5) promise to render financial, technological, medical, and other aids to all soon-to-be-liberated colonies in their postwar efforts at industrialization and collective and co-operative enterprises, and (6) announce the conditions for emancipation of the colonies, such as that they should, when free, be members of the world federation of democracies, participate in tariff agreements, pacts of mutual help, a disarmament treaty, and the arbitration of international disputes, contribute men and materials to the international police force, adopt the democratic form of government, and use a common currency.

8.

From what has been advocated by contemporary thinkers in Britain and America, we may draw the following conclusion: their hopes for the solution of economic inequalities in the domestic life of all nations conform in broad outline with our *Min-Seng-Chu-I*; their universal application of the democratic polity agrees with our *Min-Ch'uan-Chu-I*; their wholesale liberation of colonies and the grant of independence, freedom, and equality to weaker nations accord with our *Min-Chuh-Chu-I*; and, finally, their proposals for the forma-

tion of a world federation of democracies to prevent war and insure peace and security for human existence are in conformity with our ideal and vision of the state of *Tatung*, the world commonwealth of the future.

5

SAN-MIN-CHU-I: ITS UNIVERSALITY *

1.

MODERN WARS are divisible into two kinds: (1) wars due to rivalry between great powers for natural resources, colonial space, and markets, which may be branded imperialistic wars; (2) wars due to aggressive acts against weaker nations on the part of the great powers with the aim of exploitation and enslavement, breaking out when resistance is offered by the weaker side. Some states have not scrupled to resort to violence for the sake of imperialistic expansion; the victim-nations had to be ready, on the other hand, to hit back and oppose the invaders to preserve their national freedom and independence. So for the latter wars of this kind are recognized as wars of liberation; while for the aggressors they are wars of cold-blooded conquest, pure and simple.

World War I in Europe belongs to the first class. The outcome was that, for want of magnanimity on the part of the victors, seeds of vengeance were sown deep in the hearts of the defeated and, also because of unequal distribution of war spoils among the former, the interlude of peace was broken after twenty years, as soon as Germany was ready to attack again.

Japan's invasion of China comes within the second category. Her object was to put an end to our existence as a nation. The present European conflict, however, though of the first class in its initial stages, has developed into part of a global war of liberation as it changed its nature, and has

* From lecture delivered at the School for Diplomatic and Consular Service, Chungking, July 2, 1942.

actually become merged with our long-drawn-out war of resistance against Japan.

Britain declared war against Germany to check the latter in her attempts at dominating Europe and, ultimately, to threaten the British Empire. So, at the very outset, it was imperialistic. Before long, however, as the conflict developed, freedom and liberation became the battle cry of the enslaved peoples as well as that of their liberators. For instance, erst-while free nations such as Czechoslovakia, Poland, Norway, Belgium, the Netherlands, France, Yugoslavia, and Greece all fought Germany, one after another, not for natural resources and markets, but to preserve their own freedom and independence. Since its outbreak, this European struggle for liberation has been led by Britain, who, fighting for her own existence, cast off, as it were, her former role and stood valiantly in the rank of the defenders of freedom. In 1941 Hitler, in spite of the Soviet-German Nonaggression Pact, started his attack upon Russia. Confident of success, he believed that while everything was safe in the West was the time to ensure victory by destroying the U. S. S. R. by one overwhelming blow. The U. S. S. R., having no imperialistic ambitions and observing the terms of the Nonaggression Pact, was not ready to meet the onslaught. Still she took up the challenge and defended her land and her people with vigor and resolution. Since the outbreak of the Soviet-German War, the anti-imperialistic struggle among the European peoples has increased in intensity and bitterness. Japan's treacherous blow at Britain and America in December 1941 for the purpose of grabbing the Orient and the Pacific for herself, decided the two Western democracies to fight against her side by side with us. Britain's clashes with Germany may have been imperialistic in intention at the beginning, but the fact that she is on our side, together with America, has put her definitely in the camp of the anti-imperialistic group.

2.

The cause of war, in the final analysis, may be traced to inequality between nations and peoples. Conflicts due to rivalry between the great powers, or arising out of resistance of the weaker nations against the strong, are all traceable to this one cause. To stamp out war forever, it is absolutely nec-

essary to establish a universal reign of equality. The most thorough-going doctrine on this subject is *San-Min-Chu-I*, which is rooted in the very idea. It behooves us believers in these principles to devise a scheme for solving the problem of world peace.

Our principle of nationalism is built upon the equality of all nations. From the past even till now, it has been the custom for the stronger to prey upon the weaker power, with the result that the oppressor and the oppressed stand in hostile opposition. While no one denies the strong their lawful rights, it is equally true that they have no justification whatsoever for depriving the weak of theirs. Germany was plainly within her rights, some ten to twenty years ago, in asking for the removal of the bonds imposed on her by the Versailles Treaty; but when she trampled her neighbors under her feet, as old violence was replaced by new and fresh inequalities were created, war became inevitable. During the American Civil War, more than fourscore years ago, when the southern landlords insisted on Negro slavery for their cotton plantation, while the industrial North demanded free labor all over the country, President Lincoln made a memorable remark worthy of recalling today. He said the nation cannot remain half free and half slave, as the two halves cannot co-exist in accord. This saying may well be applied to the world, for the world of today also must not remain half free and half slave. President Roosevelt declared in a broadcast that, if there is one nation in the world without freedom, it means no less than that the freedom of the people of the United States is threatened. Liberty, the dear privilege of all humanity under the sun, is as much cherished by the backward and weaker as by the more advanced and stronger peoples. Nobody in the world takes delight in being a slave. That there are the free and the enslaved bespeaks beyond a doubt inequalities among nations.

Thus, it falls upon us as a bounden duty, after the dark forces are beaten, to see to it that all enslaved nations will recover their freedom. We would not rest satisfied if only ourselves shall have fully re-established our birthright, while Korea, Indo-China, Burma, and India remain under alien rule against their own free choice. That would be grievously

inadequate as measured by the obligations laid on us by the principle of nationalism.

The difference between our nationalism and that of most other countries lies just in this. Hitler also stands, to quote an extreme case, for nationalism, since his Nazis are called National Socialists. But his brand, narrow, bigoted and chauvinistic, strives only for the self-interest of the German nation at the total expense of others. This sort of nationalism can never serve the cause of peace, as it is unreservedly committed to one nation's ego. Our nationalism is rooted in our traditional political ideal several thousand years old; our *wang-tao*, the "king's way," consists in commanding respect with virtues, not with force.

3.

The time has come for us to make known our attitude and policy in regard to the postwar world. It is our conviction that China's neighbors, such as Korea, India, Burma, and Indo-China, should some day all have restored to them their freedom and independence. This is as much implicit in the nature of things and of this crusade of liberty as it is explicitly recognized by Britain herself, who will have to redeem her pledge of giving freedom and home rule to both India and Burma after the war. The American Under-Secretary of State, Mr. Sumner Welles, said in a speech that to lay the cornerstone of permanent peace, it is imperative to root out the remnant forces of imperialism. We on behalf of our fellow continentals must insist that the causes of injustice and future armed conflicts between nations be uprooted once for all from the Asiatic region.

The logical sequel of our nationalism is *Tatung*, or world commonwealth. This is the culmination of all political thinking. When that state is realized, boundaries between countries vanish and the whole world becomes one body politic, employing its sovereign authority to assure public safety. While this lofty ideal will not come true in a day or two, it is nevertheless imperative that all the European nations subjugated by Hitler within these few years, as well as those in Asia who lost their freedom during the past century, should recover their sovereignty when peace is restored. A new Union of Democratic Nations shall then be organized by

the free states, on the basis of equality, to settle disputes among themselves by arbitration or other pacific means. If resorting to arms is outlawed for good, there is no reason to doubt the possibility of *Tatung* in the not-too-remote future.

Nor is the conception of universal brotherhood the product of our own thinkers alone. Karl Marx's communism shares it with them, although it is doubtful whether the methods proposed by him are suitable to our times. Even the communists in Soviet Russia are yet far from their goal. But with the founding of the new state, the original name of that country has disappeared. In the full name of the Union of Soviet Socialist Republics, there is not a word of geographical description. Not so are the United States of America or the United States of Brazil, America and Brazil being both place names. Thus, another U. S. S. R. might be formed elsewhere, and herein dwells the hope that world commonwealth or universal brotherhood may come to the world some day. Marx and Lenin's ultimate end points, in other words, toward the world federation of communities, which would be possible only when all national boundaries are removed.

In the above, we have said that if our nationalism is universally applied, inequalities among nations will disappear. At the same time, if our People's Right and People's Livelihood, two principles of political and of economic equality respectively, were simultaneously carried out within the various nations, all internal as well as international strife and disputes would cease forever, and permanent world peace would be a reality.

4.

The present generation will have gone through two disastrous wars within thirty years. If nothing effectual is done, we shall probably be caught in another one before long. Needless to say, the havoc wrought by modern warfare is incalculable. British public men, when they have occasion to talk about fundamental questions with their foreign friends, sometimes refer to their inability, between 1919 and 1939, to extinguish the latent flames of war or to find remedies for their own economic ills, and would attribute this failure to the fact that more than a million young men of great promise were killed in the last war. These men, the flower of the

nation, if still alive, would all be men in their fifties today, in the prime of life and capable of doing vast good for their own countrymen and the world generally. Their death is thus an irreplaceable loss, not only to the British nation, but also to the world, Germany's case was more tragic; had that country not lost her more than two million war dead, the rise of Hitler might have been prevented.

After 1918, people in Europe and America were fed up with war; pacificism saturated the whole society among former friends and foes alike. Remarque's *All Quiet on the Western Front*, fully reflecting the prevalent anti-war feeling then, ran into scores of editions. Students of Oxford and Cambridge even took mass oaths never to fight for king and country. America refused to join the League of Nations and became isolationist, swearing to have no more to do with European affairs, for she had incurred some bad debts in addition to contributing 50,000 lives. Into such a world, Hitler came. He tore the Versailles Treaty to shreds while Britain and France, dazed, could not lift a finger. In six or seven years Germany many times more than recovered her former strength. Before the invasion of France, the U. S. Congress instituted a Neutrality Act to prevent new loans to Europe and prohibit U. S. merchantmen from sailing in belligerent waters. Later, as the holocaust spread all over Europe, and as far-sighted Americans saw every day how impossible it was for their country any more to avoid being drawn in, America began seriously to prepare for the inevitable. At long last, after Japan's unexpected treacherous attack on Pearl Harbor on December 7, war was formally declared by her against the Axis aggressors.

As people have everywhere suffered from war, thoughtful minds, dwelling on how permanent peace can be attained, have come to the common conclusion that predatory imperialism, already the cause of two world wars, must be eradicated from the postwar world. Weaker and smaller nations must be freed from bondage; colonies must no longer be given over to imperialist exploitation. Those whose cultural development does not yet measure up to self-government should be placed under international tutelage and guidance. Economically, we have the American proposal for the sharing of natural resources of the whole world by all, including

victors and the defeated, or the newly freed; and with the removal of prewar trade barriers, international free trade is to be restored to the world.

America's Lend-Lease agreements with China, Britain, Soviet Russia, and others are founded on a system of bartering arms for raw products. For instance, the United States supplies China with planes, guns, etc., and receives from her tungsten, tin, antimony, raw silk, *tung* oil, pig bristles, etc. What America supplies us is certainly worth more than what we can send her during this period. So it has been agreed upon by both parties that the obligations we are not able to meet at present will be redeemed in future without prejudice to our postwar economic development. At the same time, we have undertaken not to do anything which may be detrimental to the world's economic interests.

When we come to carry out our promise, difficulties are bound to arise. Thus, the removal of tariff walls has a lot to do with our future development. The United States, a highly developed country industrially, can well afford to practice free trade. But for China, just about to start on her industrialization after the war, this may prove a great handicap and disadvantage. For a country to industrialize herself, the old method is by means of erecting a tariff wall to protect home manufactures and infant industries from too-keen outside competition. If we are not to adopt a protective tariff after the war, it means that China will have to leave her doors wide open for foreign, and especially Japanese, dumping of cheap goods; which in turn means that our own infant industries will be swamped and left to die prematurely. Let us cite the cotton goods industry as an example. We are a cotton-producing country; if we cannot, under the free-trade agreement, withstand Japanese penetration in cotton goods trade, our spinning mills will never increase and develop to such extent as to consume all our cotton crop, actual and potential, and will not produce enough cloth to meet our own demands. As a result, our raw cotton will have to be exported to Japan for her to turn into cloth for sale back to us. In this way, we will forever be saddled with a purely agricultural economy and our market become the object of foreign rivalries. Such a situation cannot be conducive to world peace.

I have said the erection of tariff walls is an old method. Now what is the new one proposed? The new method is this: national ownership and state operation of industrial production. This would imply state control of foreign trade; foreign goods would not be allowed free entry, no matter what high custom duties importers are willing to pay. It would also mean that both domestic and international trade are under state operation and management according to a planned policy. Since there would be no free imports by private traders, naturally there need be no tariffs. Soviet Russia has been conducting her foreign commerce according to such method. We can do likewise if we think it necessary. As to whether we shall or not, it depends upon our own policy, foresight, and determination. Thus, if Japan wants to buy from us a certain quantity of raw cotton, our government will demand from her in exchange a certain amount of goods we need. The government will handle the exchange of merchandise, private merchants not being permitted to do so. When imports and exports are so regulated, cheap undesirable Japanese goods cannot be dumped on our markets. However, this would call for a modification of the policy advocated in other countries, for such international trade would no longer be free, but would be state-controlled and -operated.

The principle of *laissez-faire* applied to international trade is a traditional concept of capitalist economy. Before the last European war, free trade was virtually the accepted national policy of Western countries; but after 1918 there began a radical modification of this policy of free trade everywhere. In the British Empire there was introduced the policy of Empire Preference. Japanese goods could not enter Canada, for instance, freely to compete with British goods. After the devastation in the present war, rehabilitation of national economy may mean that commerce and industries will, in all likelihood, be planned and controlled and perhaps directly conducted by states. Such a situation may conceivably bring about the elimination of private enterprise in international trade.

The British Government has announced the nationaliza-

tion of coal royalties and state control of all coal mines. Coal mining is, we know, the backbone of British industry. Britain's coal fields are abounding; but the pits, many of which are worked on a small scale, have all been privately owned and managed. Competition among them was keen so that when the general business depression came over the land, a great number of them were forced to close up and the miners had to go unemployed. Throughout the two decades after 1918, this was an unsolved problem. The Labour Party, agitating for national ownership and management of the mines for years, failed in their attempts. With the nation involved in a life-and-death struggle, such a measure became unavoidable for maintaining coal production and the livelihood of the colliers; hence the government's act. It seems now that even after the war, nationalization will continue.

Nor is this all. There are signs that the banking business, the dome of British capitalism, may also be brought within the sphere of state enterprise. The shape of things emerging during these critical times is that institutions of socialism are being gradually, imperceptibly, established in Britain; and, as they may have come to stay, private free competition in large industries will probably be more and more curtailed after the war. This economic metamorphosis amounts, in fact, to a step toward the practice of our *Min-Seng-Chu-I*. By going on, step by step, peacefully in that direction, Britain will ultimately achieve socialism.

6.

Now, we have come to what we set out to prove, that *San-Min-Chu-I* can not only deliver China, but also redeem the world. The world-wide implication and universality of these teachings have become every day more evident with the turn of events.

On the score of nationalism, Britons and Americans are agreed upon the equality of nations, from which the liberation of the weak and small is a logical conclusion. On the subject of democracy, the Anglo-Saxon countries being original democracies, will naturally want to see the same or even a modified system of democratic government practiced in all other countries. With respect to livelihood, which was regarded in the past as the hardest problem seeking solution,

which took Russia a great revolution and much bloodshed to achieve, it has become clear now that it could be brought about by legislative procedure instead of by resorting to class struggle and violence.

This proves beyond doubt the catholicity and universality of *San-Min-Chu-I*. After this purgatory of fire and blood, therefore, social and economic changes in the world can all be introduced peaceably: the theory of class war is refuted and its methods are rendered unnecessary. According to orthodox Marxism, wars should be turned into civil wars of social revolution within the various countries. This phenomenon is today not to be found anywhere. The Labour and Communist parties of Britain are in complete accord with the government. In America, the two great labor organizations have given their word to refrain from strikes for the duration. The only conflicts are those between the oppressed and the oppressor—the battles of civilization against barbarism, of freedom against enslavement. The greatness of *San-Min-Chu-I*, their superiority over other systems of politico-economic doctrines, is borne in upon us with ever greater force.

PART TWO
To Democracy

6

CHINA MARCHING TOWARD DEMOCRACY

1.

AT ITS ELEVENTH plenary session meeting in Chungking early in September 1943, the Central Executive Committee of the Kuomintang, the highest executive power of the ruling party in China, passed unanimously a resolution of the greatest importance for the political future of the country. This resolution reiterated the determination of the Kuomintang to institute and enforce a government of the people, by the people, and for the people at the earliest possible date, in accordance with the teachings of Dr. Sun Yat-sen, Father of the Chinese Republic. It specifically called upon the National Government of the Republic to convene the National Constituent Assembly within one year after the conclusion of the war, for the avowed purpose of adopting and promulgating the permanent constitution of the Republic and fixing the date for its enforcement.

The convocation of the National Assembly will mean the automatic and formal termination of the period of political tutelage under the Kuomintang, and the inauguration of the final stage in China's political evolution, that of constitutional democracy. Herein lies the fundamental difference between Kuomintang tutelage, or party rule in China, and dictatorship in the fascist states. Mussolini and his Fascist Party never had the slightest intention of giving up or restoring political power to the Italian people; they had to be forcibly overthrown by their own sovereign and the Italian

people before their regime was ended—and ended in chaos. The Nazi Führer and his dictatorship will probably follow in the footsteps of his Axis partner after final defeat in war and revolutionary upheaval at home. Dictatorship in the fascist countries is an end in itself, while political tutelage in China is a transition from monarchical despotism and warlord tyranny to constitutional democracy.

That the revolution to transform China into a modern democracy must undergo three successive stages was originally thought out by Dr. Sun Yat-sen away back in 1905, when he successfully amalgamated the diverse anti-Manchu revolutionary secret organizations into a cohesive group under the *Chung-Kuo Kelming Tungmenghui*, or the "Sworn Brotherhood of the Chinese Revolution." The three successive stages were to be military government for the overthrow of the Manchu Empire and the liquidation and complete suppression of all remnant imperialists, feudalists, anti-republicans, armed reactionaries and later the lawless warlords who came after Yuan Shih-kai; tutelage government under the Revolutionary Party, which then was the *Tungmenghui* and later the Kuomintang, who became trustees, so to speak, and exercised political power on behalf of the people to guide them in the practice of self-government and to lead them in the march toward democracy; and, finally, constitutional democracy, when the trustee ruling party will restore complete sovereignty to the people, who will, through their elected representatives sitting in the National Assembly, adopt and promulgate the Constitution and elect and organize the Government of the Republic as provided for by the Constitution. When this final stage is achieved, the Kuomintang will be just an ordinary political party. It will then have to appeal to the people as the electorate for support of its party policies and to elect its nominees to office in the local and national governments, just as any political party in Britain and America would do.

2.

The three-stage program for the political development of China had not been carried out during the first decade and a half of the Republic. Soon after the October Revolution in 1911, which gave birth to the Republic, Dr. Sun Yat-sen, who

was provisional president when the Republic was proclaimed in Nanking on New Year's Day, 1912, had resigned power to the northern warlord Yuan Shih-kai, because of divided counsels in the ranks of the revolutionaries and their inexperience and incapacity to carry on the Revolution to its logical conclusion. Dr. Sun Yat-sen realized that the Revolution had achieved success too easily, albeit only apparent success; and the revolutionaries were really too unprepared to retain power and build up a genuine democratic republic. He therefore relinquished power willingly and bided his time.

Yuan Shih-kai, who had organized and trained the modern army in North China during the last days of the Manchu Empire, succeeded to the presidency; a republican parliament with a Kuomintang majority sat in Peking. Conflict between president and parliament was inevitable. Yuan forced the issue by ordering the dissolution of parliament, killing and banishing recalcitrant members, and finally issuing decrees for the dismissal of all military governors who were members of the revolutionary party. The so-called Second Revolution of 1913 broke out in the Yangtse Valley when the dismissed military governors rose up in revolt. Dr. Sun Yat-sen was then in Japan. He rushed back trying to save the situation. It was too late, for civil war had started; and soon after the revolt was crushed by the superior forces of Yuan Shih-kai. In 1915, while the war in Europe was in its second year and Japan was having a free hand in the Far East, Yuan Shih-kai was misled by his flatterers into subverting the Republic and proclaiming himself Emperor of the Chunghau Empire. Revolts again broke out in the southern provinces, and Yuan died soon after in the summer of 1916. From then until 1928, the country was ruled by successive warlords under a regime of successive private wars for supremacy between them.

While the warlords were contending for dominance, Dr. Sun Yat-sen returned to Canton for the third and last time in 1923 to reorganize the Kuomintang and resume the much-interrupted National Revolution, which, after his death in 1925, culminated in the rise of the National Government in Canton as the recognized government of the Republic, and

the successful conclusion of the revolutionary war with the capture of Peking in the summer of 1928.

With the preliminary unification of the country achieved by military action under the brilliant leadership of Generalissimo Chiang Kai-shek, the nation was ready to begin the second stage in its political evolution toward democracy. To discuss and work out measures for the introduction of political tutelage, or provisional party rule, a plenary session of the Kuomintang Central Executive Committee was convened to meet in Nanking in the middle of August, 1928.

The late Mr. Hu Han-min, the late Dr. Chao-chu Wu, Dr. Wang Chung-hui, Dr. Li Yu-ying, and the present writer, all members of the central committees, were then in Europe. On the proposal of the late Mr. Hu Han-min and at the invitation of Dr. Li Yu-ying, the group met in a suburb outside Paris one summer morning and began an all-day session to exchange views and prepare a proposal to be submitted to the Central Committee in plenary session. As a result, a proposal calling for the setting up of the Five-Yuan system in the National Government was drafted by the writer and telegraphed to Nanking in their joint names. The plenary session approved and passed the proposal *in toto*. In the fall of the same year, the five Yuan, a first attempt at development of the Five-Power Constitution, were severally inaugurated. Each derived sanction and power from the party and was made responsible to the party. The period of tutelage had begun.

3.

Political tutelage is really a system of planned political development, akin to planned economy. To be successful, it requires the authority of a strong central government, without which it will not work, especially in a sprawling, loosely organized country like China. It was this fundamental need for a strong centralized administration that initiated steps toward the curtailment of the semi-independence of the military rulers in the outlying provinces. A military conference for the disbanding of superfluous troops and demobilization of the revolutionary armies aggregating more than 2,000,000 was convened in the winter of 1928. Plausible and elaborate plans were submitted and adopted by the conference, at-

tended by the leading commanders. But the effort was fruitless. A series of disastrous fratricidal wars began almost as soon as the disbanding conference rose.

Another and a greater obstacle to be overcome before political reconstruction in accordance with Dr. Sun Yat-sen's program could be put into practice was the rise of the Chinese Communist Party as a separatist and rival military power. While the fratricidal campaigns were going on, the Communists were entrenching themselves in south-central Kiangsi Province and rapidly spreading out in other parts of the country. This had become a greater menace to the government and the party in power. No political solution was at the time possible. A sustained military campaign had to be undertaken to suppress them in the southern provinces. It was only after years of hard fighting that the Kiangsi and Hunan Communist bands were driven from their lair. Since then they have relocated themselves in north Shensi, after their much-publicized 10,000 *li* march through west and northwest China.

With the approaching end of the period of internal dissension and civil strife, came the greatest menace and crisis the nation ever had to face. This time it was the threat of foreign aggression in the shape of Japanese invasion of the metropolitan provinces of North China. The three eastern provinces of Manchuria had already been lost for some years, since September 18, 1931. Jehol was next grabbed by the Japs. Intramural north China was scheduled to go also.

The years from 1931 to 1937, when total war was finally forced upon us, were extremely difficult times. With the enemy ready to move in and the whole country in a state of sustained alarm, there was little attention and energy left for either the government or populace in the provinces to devote themselves to the peaceful pursuits of preparations for self-government and constitutional democracy. The hue and cry throughout the length and breadth of the land was for resistance to the death against further encroachments upon the national territory. But the state of our national defenses was deplorable. The Army was not trained nor equipped to oppose a mechanized enemy of proved power and fighting ability. The government had to play for time to prepare for the inevitable showdown. In the meantime, in order to

strengthen solidarity and further unite the nation behind the government and the party, it was thought necessary to institute immediate measures leading to the termination of one-party rule and the hastening of constitutional government. One of these measures was the writing of the draft constitution by the legislative Yuan under my presidency, and another was the preparation to hold elections throughout the free provinces for the formation of the Constituent National Assembly.

4.

These measures originated in a comprehensive proposal I submitted to the third plenary session of the fourth Central Executive Committee of the Kuomintang, which met in Nanking in the middle of December 1932. This proposal of mine is known as "Project for the Concentration of National Strength to Combat the Menace Threatening Our National Survival." As revised and adopted by the plenum, section 3 on preparation for constitutional government reads as follows:

Section 3. On Preparations for Constitutional Government:

1. For the purpose of concentrating national strength to combat the foreign menace and to ensure national survival, be it resolved that the measures for instituting self-government as stated in the General Principles for National Reconstruction be put into practice at the earliest moment, as preliminary conditions for the preparations leading to the inauguration of Constitutional Government.
2. Be it resolved that the National Constituent Assembly be convened to meet in March 1935, to pass and adopt the Constitution and to decide on the date for its promulgation.
3. Be it resolved that the Legislative Yuan be directed to proceed immediately with the writing of the Draft Constitution, and to cause it to be widely published to enable its discussion and study by the people generally.

It took nearly three years of continuous work and discussion before the Legislative Yuan completed the drafting of

the proposed constitution. Late in October 1935 the third reading of the draft was completed and passed.

The completed draft was then submitted to the Fifth Congress of the Kuomintang, which met in Nanking on November 12, 1935. The Yuan draft as a whole was accepted by the Congress, with certain reservations which were referred to the newly elected Central Executive Committee for final action.

Since the convocation of the National Assembly in March 1935 did not materialize, owing to incomplete preparations in the electoral process in the provinces, the Kuomintang Congress resolved that it should be convened during 1936 at the latest. The date was later fixed by the C. E. C. as November 12, 1936, birthday anniversary of the Father of the Republic. And the official version of the draft constitution was published by National Government decree on May 5, 1936. A year later on May 18, 1937, the draft was again revised by the deletion of one article. This now stands as the final and official draft of the future constitution of the Chinese Republic.

Holding a national election in China is no simple matter. The primary machinery for carrying out the electoral process is defective and sometimes entirely absent. There is no census of the population in the provinces and districts to guide the local officials. There is certainly no register of qualified voters in the villages and towns. All these missing links have to be worked out and provided for at short notice before an election can be conducted properly; hence the repeated delays and failures to comply with the decisions of the central authority. November 1936 passed with no National Assembly in session. So in February the next year, the Kuomintang C. E. C. again fixed a date, a year from the date last decided upon, November 12, 1937, when the much-postponed National Assembly was to meet to adopt and pass the draft constitution.

But on July 7, 1937, there was the Lukouchiao, or Marco Polo Bridge, attack by the enemy, signaling the outbreak of war throughout the country. What has happened since is world history. Electoral campaigning and such activities were stopped at once. Early in November, the Government evacuated Nanking and moved up the Yangtse first to Hankow and

later to Chungking. So after repeated delays and further successive changes of date, there was to be no convocation of the National Assembly for the duration of the war.

5.

The period of party tutelage, beginning with the reorganization of the National Government and the institution of the Five-Yuan system in October, 1928, has now lasted for fully fifteen years. This is certainly far beyond the time limit assumed by Dr. Sun Yat-sen when he mapped out the three-phase plan for China's political evolution from absolute autocracy to constitutional democracy. It has lasted longer than even our party leaders wished for when the question of the duration of party tutelage was brought up. On June 15, 1929, the second plenum of the third C. E. C. had resolved that the period of tutelage government be fixed at six years, to be completed by 1935. At the same time it was also resolved that a detailed time schedule for the execution and fulfillment of the tutelage-government program be drawn up by the political council. But this schedule has become a dead letter and is virtually forgotten, for no one in the government now can even recall what its provisions were.

This failure to live up to good resolutions and make effective the high-minded decisions of the party was partly due to inexperience and incompetence on the part of the rank and file of the party membership who were charged with such responsibility. But a more important cause existed. This was the die-hard attitude of certain party men who consciously reject the party line that party rule during the period of tutelage should be fixed and limited at all. What they want is indefinite prolongation of the one-party regime, in order to build up a strong and unshakable political machine of, by, and for themselves. These people fear that once the period of tutelage terminates, opposition and rival groups outside the Kuomintang, such as the Communists, will seize power and *San-Min-Chu-I* will be scrapped, to be replaced by something else. What they could not understand is the fact that *San-Min-Chu-I* must be put into practice to prove its worth as guiding principles for the upbuilding of the nation. And, to be really successful, a constitutional democracy must emerge from the present party trusteeship. There can be no

really democratic government in China if the party in power should hang onto power indefinitely without reference to the wishes and desires of the people. Such an attitude has been responsible for the failure of the Kuomintang to achieve greater results in the political development of the nation during the past decade and a half.

But despite our shortcomings and sins of omission, Kuomintang leadership has done great things for the country. This even our most severe critics must admit. First of the good things we have accomplished is the growing power of national consciousness and national solidarity of our people. *San-Min-Chu-I* has infused in them a strong sense of national dignity and a deep conviction of our national destiny. Our friends abroad sometimes cannot understand how the Chinese people can hold on against such overwhelming odds for so long, resisting the total might of our enemy. Some think that we are just fatalists, taking and absorbing whatever punishment and bad luck come our way without murmur and complaint. Some may even think that we are subhuman, enduring suffering and pain which no other people can put up with. The truth, I think, lies in the inherent greatness of the Chinese people, roused to consciousness by the National Revolution and inspired with the faith and hope of a bright future by the teachings of the Three Principles.

In spite of the war, the Chinese Government has done wonders in promoting and spreading public education throughout the country. Colleges and universities were moved bodily from the great cities and coastal areas to the remote upcountry fastnesses in the West and Southwest. Adult illiteracy is being tackled with a view to its eventual liquidation. In the four and a half years since 1939, some 1.4 million persons have gone through special training courses in the training establishments operated by the central, provincial, and local authorities. Seventy per cent of the trainees have been personnel actively connected with local self-government, the average age of whom is around thirty years. These men will return to their various localities to serve as organizers of the self-government units in the villages and towns. They may become chairmen of the village and town meetings, or members of the *hsien* and city councils. Not a few of them

will rise to responsible positions as mayors and administrators of the several thousand *hsien* in the country.

Another good thing that the years of the tutelage have developed is the complete working out of a new system of local self-government for the country. In the early days there was no generally accepted criterion for the institution of self-government. Dr. Sun Yat-sen had laid down, in his "General Principles for National Reconstruction," the *hsien* as the unit for self-government. But he left us no exact blueprint as to how such self-government was to be organized and conducted. As a result, several theoretical systems were being advocated and put to trial in the provinces. General Yen Shih-shan had his own plan in Shansi, and Generals Li Tsung-jen and Pai Chung-hsi had another system introduced in Kwangsi. There was also the Ting-hsien experiment in Hopei and the Chou-ping model in Shantung. Kiangsi, Kiangsu, Chekiang, and Kwangtung also have other systems under experiment.

The *Hsien Organic Law* passed by the Legislative Yuan was officially promulgated by the National Government on June 5, 1929. This law attempted to bring all the experimental systems into harmony by embodying the best features of each. The Shansi idea predominated, because it was the best known and had the longest experiment. But the subdivision of local units was found unsuitable to conditions in the southern provinces. As a result, a new provisional set of regulations governing the organization of local government was issued by the military authorities of the Bandit Suppression Command, at the time engaged in the campaign to liquidate the Communist armed bands in Kiangsi. These interim regulations at once superseded the *Hsien Organic Law*, which practically became a dead letter. Under these regulations, the old *pao-cha* system of the Sung Dynasty was revived, with modifications to suit modern conditions. It has taken ten years to work out the present system of local government, now known as the New *Hsien System*.

6.

The new system was embodied in a new set of regulations published by the government in September 1939. It has now been in force for four years. A report covering its enforce-

ment and operation from 1939 to 1941 has been made public by the Ministry of the Interior. It is stated that of the 1,469 *hsien* located in 18 provinces in Free China, 944 of them have been reorganized under the new system, which is 64 per cent of the total area. Under the new system, each village town is to have a "center school." In the *hsien* enumerated, 21,306 such center schools have been established, or just under 85 per cent of the possible total. Each *pao* comprising about 100 households, more or less, is to be provided with one "citizen school" of the primary grade. Already 142,595 such citizen schools have been opened, representing just under 38 per cent of the total number of *pao*. Each *hsien* is to have a "health center"; 783 *hsien* health centers have been established, or 83 per cent. The organization of co-operative societies is proceeding more slowly than planned. In the first two years, only 5,548 *pao* co-operatives, 1,144 village-town co-operatives, and 122 *hsien* joint co-operative societies have been started.

The smallest subdivision in this system of local government is the *cha*, comprising some 10 households; next higher unit is the *pao*, about 100 households. Then comes the village or market town, which may comprise 20 or 30 *pao*; when all the villages and towns within a certain administrative area are organized, they become the *hsien*. The competent executive and legislative organ in these divisions is the meeting of the household heads in the *cha*, the meeting of all adult citizens in the *pao*, the meeting of representatives in the village and the town, and, finally, the *hsien* council for the whole *hsien*, composed of members elected from the villages and towns. In each unit there is a man responsible for the local administration. When the system is completely organized and functioning according to plan, these public officials are elected by their respective constituencies. During the first stages, before they function properly, such local functionaries are appointed by the higher authorities in the province.

This system of local self-government is the foundation upon which constitutional democracy in China will be built. Much work remains to be done; and diverse, difficult, and vexed problems have to be adequately worked out before its success can be claimed. As it is, it presents a great promise for the future.

The origin of the *hsien* as the basic territorial subdivision in the central administration of the country is very ancient, dating back to 211 B.C., when China was unified for the first time under the First Emperor of Tsin. The national territory was then divided into 36 *chuen*, or provinces, and subdivided into smaller administrative units called the *hsien*. Thus in its origin the *hsien* was not an autonomous unit. It has remained a territorial subdivision of the central administration up to the present time, until local self-government was attempted during the last few years. Being merely a subdivision of the central government, its administration was directly appointed by and made responsible to the central government or its principal agency, the provincial government. Under the *ancien régime*, only in the village and the market town, beyond the pale of the walled center in which the magistrate sat, was some form of indigenous self-rule permitted to exist. This local autonomy usually took the form of patriarchal rule by the village elders or the clan elders, if the whole village was populated by the same clan. Frequently these elders, who composed the village council by virtue of seniority through popular acclaim—the only form of election known—were dominated by, or at least under the influence of, one or a few wealthy landowners, or retired mandarins who returned to their native villages to enjoy in the twilight of their careers the respect and homage accorded them as ex-officials. Such a group of village rulers was collectively known as the *shun-ch'i*, or “men of honor and age.” Not infrequently these “men of honor” degenerated into “men of dishonor” when they became corrupt and oppressive as owners of the village lands or keepers of the village pawnshops, which served as usury banks. Then they would become objects of unpopularity and hatred. But usually the villagers could do nothing about it, since these men were influential with the *hsien* magistrate, who would confirm and maintain them in their positions as village rulers.

With the introduction of local autonomy, the position of the *hsien* is changed. It is being raised as the highest self-government entity. At the same time it still retains its age-old functions as local agency for the central administration, as far as national and provincial affairs are concerned. This dual capacity has brought with it added responsibility as well as

new and difficult problems for the *hsien* local government. The mayor or administrator—popularly known to the West as the magistrate because in the old days he served also as a judge in both criminal and civil adjudication—in addition to his old duties as subordinate to the central authorities responsible for the administration of national laws and the execution of central government orders and regulations, now has to carry out the wishes and decisions of the district council. When the new system is in full operation, he will not only be elected by the council, but may also be dismissed by the same popular organ. This means that to be a successful *hsien* administrator henceforth will require a man of high qualities. The achievement of local autonomy democratically instituted will require the introduction of expert and efficient management of public affairs. These two must go hand in hand. Otherwise the new system will not function in the way it is intended to. Hence the emphasis on trained personnel.

It is the policy of the Kuomintang to develop a corps of trained and qualified personnel to fill the elective officers in the hierarchy of local government. Laws are being enacted and enforced to require all persons who may aspire to public office to qualify themselves by passing necessary public examinations or having their previous records in official service scrutinized and approved by the authorities of the Examination Yuan in the National Government. This applies not only to all local administrators, but to all candidates for election to local bodies, such as town and *hsien* councils. This is to insure that local government should be not only democratic in its nature and origin, but efficient in its functioning, too. In other words, the goal for our immediate political evolution may be summed up in the slogan: Democracy and efficiency must be achieved at the same time.

7.

As a war measure and pending the convocation of the National Assembly, and the nation-wide enforcement of the new local self-government plan, certain interim arrangements were adopted by the Kuomintang Government for the gradual widening of the basis for the erection of democratic government. In the spring of 1938 the special Kuomintang

Congress at Hankow passed a resolution calling for the creation of the People's Political Council to form a united national front to prosecute the war to ultimate victory. This P.P.C., for short, was accordingly organized, with leading personalities from all active political groups besides the Kuomintang invited by the government to sit in its meetings, which were held periodically to hear reports submitted by the administrative heads of all government departments, to ask questions for specific information and clarification of policy, to present proposals and resolutions for debate and decision. Since its formation, membership in the council has been increased from the original 150 to the present 240, the majority of whom are now elected by the provincial councils with the remainder nominated by the Supreme Council of National Defense and formally confirmed by the National Government. When the full council is not in session, a resident committee of 25 members, representing all participating groups, is elected to reside at the wartime capital, to carry on routine business, and act as liaison between the P.P.C. and the government. This resident committee also meets at intervals to hear reports presented by the government ministries.

All resolutions and decisions passed and adopted by the P.P.C. in session are submitted to the Supreme Council of National Defense for final approval and action. Although the P.P.C. is advisory in nature, and its decisions are by no means mandatory, yet practically all its important resolutions so far submitted have been approved and acted upon by the government. In this respect, it is in fact a National Assembly in embryo. Ministers in the government more and more have to pay heed to the P.P.C. Not a few of the important and otherwise powerful ministers have found themselves in uncomfortable positions when P.P.C. members indulged themselves in straight talk and outspoken criticism. This is a hopeful trend in China's march toward democracy.

Acting immediately upon the Kuomintang C.E.C.'s recent resolution to convoke the National Constituent Assembly within one year after the conclusion of war, the Preparatory Commission for the Enforcement of Constitutional Rule has been appointed by the Supreme Council of National Defense. This commission is composed of 35 to 49 members

divided into three groups according to origin of the members: Kuomintang C.E.C. members, P.P.C. members, and other members besides the first two groups. This is concurrently a fact-finding and advisory body. Its functions and terms of reference are stated in the organic law in the following provisions:

1. To submit to the government proposals concerning preparatory measures for the enforcement of Constitutional Rule;
2. To inquire into the working of various representative bodies of local public opinion, and to report its findings in current reports to the Government;
3. To investigate the manners and circumstances in which all laws and regulations relating to preparation for constitutional government are being enforced and carried out, and to report its findings to the government accordingly;
4. To serve as a liaison organ between the government and public bodies in matters concerning the Constitution and related political questions; and
5. To examine and discuss all matters concerning the enforcement of constitutional rule in accordance with the government's instructions.

It is expected that subcommittees will be appointed and sent out by the Commission to tour the provinces to gather information in accordance with the above terms of reference. Such public inquiries and fact-finding missions will serve not only to stimulate public interest in preparations for the forthcoming convocation of the National Constituent Assembly, but also to speed up the nation-wide enforcement of local self-government, as the necessary basis upon which constitutional rule must be erected.

Among the membership in the Commission, two well-known Communist leaders are included: Chow En-lai, Communist spokesman in Chungking and liaison representative for the Communist 18th Army Group Command, is a member appointed from among the third group of non-P.P.C. and non-Kuomintang members; and Tung Pi-su, Communist P.P.C. member, is concurrently designated a member of the steering committee.

This leads me to deal briefly with the Communist problem in China. As it is, the Communist power, organized separately as a government functioning in a certain area of the national territory and maintained in power as the ruling party in their occupied region by military forces answerable to the Communist Party alone, is nothing less than an *imperium in imperio*. It pays lip service to the National Government of the Republic, but the so-called "Shen-Kan-Ning Border Region," which incloses some 24 *hsien* located in an irregular area in north Shensi, east Kansu, and southeast Ninghsia provinces, has a government of its own organized and administered in contravention of the national laws governing provincial and local administration. National Government decrees and Executive Yuan and ministerial orders have no effect and validity within the Communist districts. The Border Government collects its own taxes and prints its own paper money. Banking and trade with other parts of the country are carried on as government monopolies. There have been unconfirmed reports current from time to time that illicit trade is being conducted with Japanese-occupied and puppet-ruled areas.

The Communist armies as incorporated in the National Army in the early days of the war numbered only three divisions with a number of auxiliary units, totaling some 40,000 to 50,000 men. These were reorganized as the 8th Route Army and later renamed the 18th Army Group. This army has now grown to enormous proportions. Its numbers are generally accepted to be about 500,000. Such expansion is effected without reference to the orders of the Supreme Command. In fact, for some years now, the operations of this army in Shansi, Suiyuan, Hopei, Honan, Shantung, and North Kiangsu provinces have been entirely independent of the High Command. The Communist troops under their own leaders act on their own responsibility, without the least concern about the wishes and orders of G.H.Q. Nominally they are still part of the Chinese National Army, but in fact they are an independent and separate army.

The Communist 8th Army was originally assigned north Shensi, east Suiyuan, Chahar, and north Hopei provinces as

its designated war zone, within which it was to operate against the enemy and puppet forces. Honan, Shantung, Anhui, and Kiangsu provinces were assigned to other Chinese armies. But instead of acting according to orders, the 8th Army went ahead with its own expansionist plans by recruiting and organizing irregular units within the zones of other commands. Friction was inevitable, and sometimes fratricidal outbreaks occurred. One by one other central government units were edged out of south Hopei, north Honan, north Shantung, and north Kiangsu provinces. Irregular units claiming to be 18th Army men were found as far south as Hupei and Anhui provinces.

Then there was the New 4th Army, organized out of remnants of the various Communist bands south of the Yangtse River for guerrilla warfare to the south of Nanking. In the fall of 1940, orders of the High Command were issued to the 8th to move back to the north bank of the Yellow River, and to the New 4th to cross the Yangtse to north Kiangsu. The dates fixed for execution of the orders were repeatedly postponed, but to no avail. The New 4th, instead of going north to cross the Yangtse, turned south against orders and came into collision with other units. The consequences were unfortunate. The commander of the New 4th was captured and his troops dispersed and disarmed. The High Command ordered its liquidation. Yen-an Communist Headquarters countermanded the High Command's order by appointing a new commander to the New 4th. This incident has caused much bad blood and brought about a situation between the government and Communists which so far has failed of an adequate solution.

In the spring of 1941, Communist members of the P.P.C., as a gesture of protest against the dissolution of the New 4th Army, refused to attend a session of the Council. This ill-advised behavior was severely criticized by political leaders of independent groups. They have returned to attend the subsequent sessions.

There can be only two solutions to the Communist problem in China. The forcible or military solution has been ruled out as undesirable, especially at a time when the nation is still unitedly fighting to expel the invaders. But even if the

war were over, it would be equally deplorable to resort to force for bringing about the desired military and administrative unification of the country. Outside of a few hotheads in the Kuomintang or the Army, opposition to a military solution of the problem is well-nigh universal. The Kuomintang C.E.C. in plenary session has repeatedly resolved, in 1942 and again in 1943, to bring about a satisfactory termination of the deadlock by political and peaceful means.

The following resolution passed at the Eleventh Plenary Session of the Kuomintang Central Executive Committee explains in full the official attitude on this vexed problem.

Having heard the general report on the Chinese Communist Party's activities subversive of the state and detrimental to our war efforts, we realize with deep regret that the said Party, instead of showing the slightest sign of being moved by the generous and tolerant attitude taken by the Tenth Plenary Session held last November, has actually intensified its activities of endangering the security of the state and sabotaging our war efforts.

Our patriotic war against aggression having passed through its most critical stage after six long years, the victory anticipated by the whole nation is already in sight. In order to ensure lasting freedom and welfare for the country and final triumph over aggression, the Government is firmly convinced that unless national unity is placed on a solid foundation, it is next to impossible to carry out successfully the program of resistance and reconstruction. Bearing in mind this guiding principle, the Government sincerely hopes that the Chinese Communist Party will refrain from committing acts undermining national unity and obstructing the prosecution of the war. It is with this purpose in view that the Government has consistently taken an attitude of forbearance towards the said Party.

Animated, now as ever, by the same spirit, we do hereby resolve to entrust the Standing Committee with the task of settling this matter and of persuading in an appropriate manner the Chinese Communists to realize their past mistakes and honestly redeem the pledge made in their declaration of September 22, 1937, namely: "(1) To struggle for the realization of the Three People's Principles; (2) to abandon the policy of creating disturbance and propagating the communist movement; (3) to dissolve the present soviet government, thus helping to bring about the political unity of the whole nation; (4) to disband the Red Army by incorporating it in the national Army under the di-

rect command of the Military Council of the National Government."

In this way, national interests will be safeguarded, military orders and government decrees carried out, victory in the War of Resistance and success in our reconstruction work assured, so that the fervent hope of the people may be fully realized.

As the Plenary Session has resolved to convoke the Constituent National Assembly within one year after the cessation of hostilities to make and promulgate a constitution, all other problems can be discussed and solved in the assembly.

The present session of the Central Executive Committee, while resolutely striving for the consummation of its fixed policy of unifying the country and safeguarding the victory of war, hereby reiterates to the Chinese Communist Party its most earnest sincere expectations.

The above resolution represents not only the liberal and tolerant attitude of the Kuomintang and the National Government of the Republic, but also expresses the fervent hopes and aspirations of the entire Chinese nation.

With a democratic system of government on the way to realization, and with the convocation of the Constituent National Assembly definitely pledged to take place within the first postwar years, the hope of a political solution to the Communist problem is brighter now than ever before. The Kuomintang, as the ruling party, has formally and solemnly made public its pledge to the nation that convocation of the National Assembly will mean the termination of party tutelage, and the restoration of sovereignty to the nation. Generalissimo Chiang Kai-shek, as Leader of the Kuomintang and President of the Republic, has unequivocally declared to the world that China will be a democracy in the full sense of the term. He unmistakably stated in his opening speech before the Eleventh C.E.C. Plenum that, when constitutional rule is inaugurated in this country with the meeting of the Constituent Assembly, the Kuomintang will retire to a position of equality with any other party in China. Let me conclude by quoting his own words on this point.

After the enforcement of Constitutional Government, our Party should hand over the government to the people. . . . After the enforcement of Constitutional Government, our Party should be on equal legal footing with other ordinary parties

and the common citizens, and should enjoy equal privileges and rights, fulfill equal obligations, and receive equal treatment from the state under the principles of freedom of assembly, organization, speech and publication in accordance with law.

7

WRITING CHINA'S CONSTITUTION

1.

THE STORY OF CHINA'S movement toward constitutional government is as old as that of her movement toward democracy. Indeed, it is unthinkable for a democracy to work without a constitution of one kind or another. The story of China's march toward democracy is told in the previous chapter. In this chapter I shall confine myself to a discussion of the Final Draft Constitution, which may be regarded as the fruition of the whole movement, and to answer such questions as how the Draft is written and what is written in it. Inasmuch as this Draft Constitution, worked out by the Legislative Yuan after three years of assiduous labor, was officially promulgated by the National Government and will be submitted as the Chinese Government's formal draft to the Constituent National Assembly for adoption, it may be properly considered to be China's Constitution *in potentia*. A clear understanding of the Draft is, therefore, of key importance to the clear understanding of the future democratic China.

Acting on the basis of the latter part of the resolution adopted in December 1932, the Legislative Yuan began immediately to devote itself to the task of constitution drafting. A committee was formed with myself as chairman, and Dr. John C. H. Wu and Mr. Chang Chi-pen, two eminent jurists, as vice-chairmen. The committee met several times, and twenty-five fundamental principles in regard to the Draft were agreed upon.

Dr. John C. H. Wu's labor deserves here special mention. He was commissioned by the committee to produce single-

handedly a preliminary draft on the basis of the above-mentioned principles. This draft, consisting of 214 articles, since popularly known as *Dr. Wu's Tentative Draft*, he was authorized to publish under his name. The publication of this draft had two purposes in view: (1) to sound out public opinion regarding the constitution; and (2) to use it as a basis for the drafting of a permanent constitution. Its reception by the public, though very critical, was on the whole more favorable than one could have expected under the circumstances. When one compares it with the later drafts, noting how far they have been influenced by it, one realizes at once how essentially right Dr. Wu has been on at least the fundamentals of constitution drafting.

Using *Dr. Wu's Tentative Draft* as a basis for discussion, and numberless criticisms thereon from various quarters as reference material, the Constitution-Drafting Committee proceeded to draw up another draft which consisted of 160 articles and was formally published on March 12, 1934. This was the first draft drawn up by the Legislative Yuan. It is usually known as the *Preliminary Draft of the Constitution of the Republic of China*. The main purpose of its publication was, as in the case of Dr. Wu's draft, to invite public discussion and criticism. During the two and a half months that followed its publication, 281 dissertations containing opinion and criticisms on the draft were received by the Legislative Yuan. This showed that the public was greatly interested in the Constitution. To examine the merits of the opinions and criticisms contained in these articles, I appointed a committee of three, with Dr. Foo Ping-sheung, a veteran diplomat and able jurist, now Chinese Ambassador to the Kremlin, as its chairman.

The achievement of this little committee is noteworthy. It carefully analyzed and classified all the opinions and criticisms received and then produced a compendium entitled *The Compilation of Opinions on the First Draft of the Constitution*. The book was of great service to the Constitution-Drafting Committee. After more than one month's discussion and deliberation, the Committee produced a revised draft which was the second published by the Legislative Yuan. This second draft is known as the *Amended Preliminary Draft Constitution of the Republic of China*.

The second draft, a few months after publication, underwent another revision. Dr. Wang Chung-hui, a jurist of international fame, formerly President of the Judicial Yuan, and then Judge of the Permanent Court of International Justice at The Hague, who happened to be back in China at the time, also participated in this revision in an advisory capacity. Criticisms and suggestions from other quarters were, of course, also carefully considered. The revision was finally completed by October 16, 1934, after three readings and many lengthy discussions in the Legislative Yuan. This draft, containing 12 chapters and 178 articles, was the third drawn up by the Legislative Yuan and was for a time considered to be final.

This supposed final draft did not, however, prove to be final. It was first submitted to the Central Political Council of the Kuomintang, which in turn submitted it to the Fifth Plenary Session of the Fourth Central Executive Committee, held in December 1934. The latter in one of its resolutions expressed only general principles by which The Standing Committee of the Central Executive Council was guided in its examination of the contents of the third draft. The Standing Committee did not, however, take upon itself the task of actual revision, but simply drew up some specific instructions which, together with the draft itself, were again sent back to the Legislative Yuan for further deliberation. The latter, acting upon these instructions, which favored simplicity and elasticity, amended the draft once more. Two chapters on Finance and Military Affairs were struck out, and three chapters on Provinces, Districts, and Municipalities were combined into one under the caption of Local Government. Thus the draft was greatly simplified and reduced in length, consisting of only eight chapters and 150 articles. This was the draft which was submitted in November, 1935, as stated in the previous chapter. To give the draft a finishing touch, the Central Executive Committee addressed itself to its work, and as a result of its labors, instructions containing three specific points were drawn up, which in turn were again sent to the Legislative Yuan. The latter, interpreting the instructions, amended the draft for the last time and thereby gave it its final form.

The Final Draft, containing 148 articles, was formally pub-

lished by the National Government on May 5, 1936. On account of the date of its publication, it is popularly called the *Draft Constitution of Double Five* or the *Double Five Draft*. In a later amendment one article, Art. 146, was struck out. Aside from this slight change, the *Double Five Draft* has remained up to the present exactly the same as when it was proclaimed.

2.

If I were asked, "What is *the* outstanding characteristic of the Final Draft Constitution as a whole?" I would unhesitatingly answer, "It is its permeation with the principles and teachings of Dr. Sun Yat-sen, especially his *San-Min-Chu-I*." Even a cursory glance at the Draft will not fail to convince one of the truth of my statement. Although the method used by Dr. Wu in his *Tentative Draft* of naming the chapters according to the three principal headings of *San-Min-Chu-I* has not been adopted in the Final Draft, yet we find the spirit of *San-Min-Chu-I* present everywhere. It pervades every chapter, every article.

Let us look at the Preamble of the *Draft Constitution*. It reads as follows:

By virtue of the mandate received from the whole body of citizens and in accordance with the bequeathed teachings of Dr. Sun Yat-sen, Founder of the Republic of China, the National Assembly of the Republic of China hereby ordains and enacts this constitution and causes it to be promulgated throughout the land for faithful and perpetual observance by all.

Here we must note that the words "in accordance with the bequeathed teachings of Dr. Sun Yat-sen" are by no means put there for euphonic or rhetorical purposes. They are there in letter and in spirit!

Article I of the *Draft Constitution* reads as follows:

The Republic of China is a *San-Min-Chu-I* Republic.

The provision of this article had caused some serious misgivings on the part of those who failed to understand the real meaning of *San-Min-Chu-I*. To clarify their doubts, I gave an explanation in an article published several years ago.

To understand why we should provide in our Constitution that our Republic is to be a *San-Min-Chu-I* Republic [I said], we must first grasp what *San-Min-Chu-I* really means. The so-called *San-Min-Chu-I* consists of three principal parts, viz.: *Min-Chuh-Chu-I*, *Min-Ch'uan-Chu-I*, and *Min-Seng-Chu-I*. The purpose of *Min-Chuh-Chu-I* is to make China a free and independent state, free from the control of any other country or nation. The purpose of *Min-Ch'uan-Chu-I* is to make China a really democratic state in which its sovereignty will be vested in the body of its citizens. The purpose of *Min-Seng-Chu-I* is to improve our social and economic conditions, so that all the people will be able to find means of gaining their livelihood and their right to existence. Although this is the simplest and most rudimentary interpretation of the *San-Min-Chu-I*, yet it is precisely what this great doctrine means: and, we may say, it is also precisely what we want China to be. . . . When thus understood, should we object any more to the constitutional provision that China should be a *San-Min-Chu-I* Republic?

I have more recently evolved a better definition of *San-Min-Chu-I* as "national freedom for the nation-state, political freedom for the citizens within the law, and economic freedom for all the people to a higher and better livelihood." *San-Min-Chu-I*, therefore, may be called the three freedoms: freedom from foreign slavery, freedom from political tyranny, and freedom from poverty and economic exploitation.

Indeed, *San-Min-Chu-I* is both an idealistic and a practical expression of modern democracy to the fullest extent. A *San-Min-Chu-I* Republic means nothing more nor less than a Commonwealth "of the people, by the people, and for the people." I remember, in the course of drafting, some of the members of our committee did suggest the wording as follows: "The Republic of China is a state belonging to the people, controlled by the people and enjoyed by the people." That suggestion was not adopted because it means practically the same thing as *San-Min-Chu-I*, but expresses it in rather abstract and clumsy language.

In the early days of the Draft Constitution, some critics outside of the Kuomintang also looked upon this article with misunderstanding and suspicion. They thought that by such a provision the Kuomintang's party rule in China would be continued indefinitely, since, in their eyes, the Kuomintang alone was publicly identified with *San-Min-Chu-I*. This

was a misconception of the Kuomintang's program; it also did injustice to *San-Min-Chu-I*. According to Dr. Sun's doctrine, the sole mission of the Kuomintang is to make the whole body of the Chinese people believe in and practice *San-Min-Chu-I*, and to transform China into a *San-Min-Chu-I* Republic. In the process of so doing, i.e. during the so-called period of political tutelage, the Kuomintang is to be regarded as both the "tutor" and "trustee" of the people. But as soon as that is done and China advances into the period of constitutional government, the Kuomintang's position as the people's "tutor" and "trustee" will come to an end. It will retire from the privileged position of *the* ruling party to a common position of one of the political parties. Thence *San-Min-Chu-I*, which really means democracy in all its aspects, national, political, as well as economic, will be a national legacy of the Chinese people. Organizations and activities of all kinds will be allowed, provided they are not subversive of the *San-Min-Chu-I* Republic. It goes without saying that in a *San-Min-Chu-I* Republic, there should be no place for dictators, anarchists, traitors, usurers, exploiters, or oppressors of the poor. As Dr. John C. H. Wu has aptly put it, "*San-Min-Chu-I* is like heaven in that it has many mansions; but there could be no room for those who are bent upon turning the world into a hell."

3.

Rights and duties are correlated. In the eyes of a certain school of jurists, duties stand even before rights. Some of them go as far as to deny completely the existence of rights. It is not my intention here to enter into problems of legal philosophy. What I want to point out is that in our Draft Constitution we have specifically provided for certain duties of the citizens along with their rights. These duties are three, *viz.*: the duty of paying taxes, the duty of performing military service, and the duty of rendering public service.

But from the standpoint of citizens in general, the most important function of the Constitution is the protection of their rights. Historically speaking, the struggle for constitutional government has been but a struggle for the protection of personal rights. For it was the desire of the governed to be free from the rule by arbitrary will or personal caprice of

the governing authority that germinated the whole movement toward constitutional government.

In drafting our Constitution we have never lost sight of this important fact. In Chapter II of our *Draft*, meticulous care has been taken in enumerating the rights and liberties of the citizen as well as in providing the means for their protection. In the case of protection of the liberty of the person, we have not only followed the spirit of the English Habeas Corpus, but have also provided the procedures for its enforcement in more or less detail. In view of the fact that illegal arrest and detention have been traditional forms of oppression against the Chinese people, the wisdom of this provision is self-evident.

Besides the liberty of the person, the Constitution provides that every citizen has freedom of domicile, the freedom to change his residence; freedom of speech, writing, and publication; freedom of assembly and association; freedom of religious beliefs; the right to private property; the right to present petitions, lodge complaints, and institute legal proceedings; the right to exercise the powers of election, recall, initiative, and referendum; the right to compete in state examinations; and all other liberties and rights not detrimental to public peace and order and public welfare. This is as complete a list of the liberties and rights of the people as one can find in any constitution in the world. But some critics have raised a point of doubt on account of the fact that all the liberties and rights are made subject to the rule of law. Take, for instance, Article 16: "Every citizen shall have the freedom of assembly and of forming associations; such freedom shall not be restricted except in accordance with law." They seem to think that a provision like this would mean to give people freedom with one hand and take it back with the other. My answer to these critics is as follows: In the first place, what the Constitution aims to secure is a government by laws as against a government by men. Just because the people's liberties and rights "shall not be restricted except in accordance with law," they are therefore protected from the arbitrary interference of the government or its functionaries. In the second place, legislators are by no means free to enact laws restricting the citizens' liberties and rights. Article 25 clearly provides:

Only laws imperative for safe-guarding national security, averting a national crisis, maintaining public peace and order or promoting public interest may restrict the citizens' liberties and rights.

Thus, unless it is out of imperative necessity the legislators are incompetent in making laws of this kind. If they should do so, laws so made would be declared unconstitutional, hence null and void, according to the procedure provided in Article 140.

Lastly, we must not forget to mention another significant provision under this chapter, and that is Article 8, which reads:

All citizens of the Republic of China shall be equal before the law.

It means, of course, that every citizen, irrespective of sex, race, class, or profession, will enjoy the same rights and be subject to the same duties under the law. Here, we see, the equality of women with men is constitutionally guaranteed.

4.

The National Assembly is a unique institution provided in the Chinese Draft Constitution. It occupies a place of peculiar importance in Dr. Sun Yat-sen's political theory and system. Its powers and functions as prescribed in Article 32 are as follows:

1. To elect the President and Vice-President of the Republic, the President of the Legislative Yuan, the President of the Control Yuan, the Members of the Legislative Yuan, and the Members of the Control Yuan.
2. To recall the President and Vice-President of the Republic, the President of the Legislative Yuan, the President of the Judicial Yuan, the President of the Examination Yuan, the President of the Control Yuan, the Members of the Legislative Yuan, and the Members of the Control Yuan.
3. To initiate laws.
4. To hold referenda on laws.
5. To amend the Constitution.

6. To exercise such other powers as are conferred by the Constitution.

From the above, we see at once that the National Assembly is the holder of all the "political powers" and the *source* of all the "governmental powers." It must be recalled here that one of the greatest and most original contributions of Dr. Sun Yat-sen to political science is the demarcation between "political powers" and "governmental powers." The former are the people's powers, while the latter are the powers or functions of the government. The political powers are four in number: election, recall, initiative, and referendum. In the districts and other local units of self-government, these powers are to be exercised directly by the people. As to the Central Government, these powers are to be exercised by the National Assembly for the people of the whole of China. The "governmental powers" are five in number: executive, legislative, judicial, control, and examination. Hence the so-called Five-Power Constitution, as against the ordinary "Three-Power Constitution" of the West. These governmental powers, being really functions, are entrusted by the nation to the hands of the National (Central) Government. Thus, the people in whom the sovereignty of the state is vested (Article 2), create the government and hold it in potential control through the National Assembly and by means of the exercise of the four "political powers." It is easy to note that, being the creator or source of the government, the National Assembly could not be regarded as a part of the government, although, as we have seen, every department of the government is responsible to it and subject to its control. In the ordinary course of things, its principal function is to get the right personnel for the government by election. The other three powers will be exercised only on rare occasions, thereby giving the government a free hand in performing its functions. It is the idea of Dr. Sun to combine democracy with the highest possible degree of efficiency, to reconcile the idea of popular sovereignty with a functional theory of government. It is gratifying to see that our Draft Constitution has embodied the ripe fruits of his political thinking.

The National Assembly shall be constituted of delegates

elected directly by the citizens of the *hsien*, the principal self-governing units, and the municipalities. Each *hsien*, municipality, or area of an equivalent status is entitled to send one delegate; but in case its population exceeds 300,000, it will be entitled to one additional delegate for every 500,000 people. As to the election of delegates from Mongolia, Tibet, and the overseas Chinese, it will be determined by special laws. The National Assembly will number approximately 2,000 delegates. The term of office of the delegates is six years. The Congress is to meet every three years, the session to last one month or at most two months. On important occasions there may be extraordinary sessions.

It has been suggested by some writers that during the adjournment of the National Assembly there should be created a smaller body to act as its representative. It seems to me such an institution is not only unnecessary, but positively harmful. It is as untenable in theory as it is undesirable in practice. It is not only in contravention of Dr. Sun's political theory and system, but would create in practice a sort of oligarchy which may usurp the powers of the people on the one hand and meddle with the functions of the government on the other. In fact, as I remember, in the course of our drafting, an institution of this kind had found its way into the provisions of one of our preliminary drafts. But after careful deliberation it was dropped. We thought that the National Assembly, large as it is, is already the smallest possible body to represent the whole people, and can be made no smaller. Moreover, the National Assembly itself is already a representative body with delegated powers; and it is utterly indefensible for delegated powers to be delegated again to a smaller body.

5.

According to Dr. Sun Yat-sen's theory, the five "governmental powers" are to be exercised by the Five Yuan of the Central (National) Government. In our Draft Constitution, it is provided that the Executive, Legislative, Judicial, Control, and Examination Yuan are the highest organs through which the Central Government exercises its executive, legislative, judicial, control, and examination powers respectively. But over and above them is the President, who, besides be-

ing the head of the state and the representative of the Republic in foreign relations, is also the Chief of the Executive and the "co-ordinator" of the Five Yuan. He holds some measure of check and supervision over all the Yuan, but has complete or direct control over none except the Executive Yuan, whose president is appointed by and directly responsible to him and also subject to his removal. The presidents and members of the Legislative and Control Yuan are appointed directly by the National Assembly and are subject only to its recall. The presidents of the Judicial and Examination Yuan, while appointed by the President, are not subject to his removal but to recall by the National Assembly. With the exception of the president of the Executive Yuan, the presidents of all the Yuan are directly responsible to the National Assembly. Complicated as it might seem at first sight, the system really secures a certain degree of independence for each of the governmental departments and provides a kind of check and balance among them.

The President of the Republic exercises many and varied powers besides those of appointment. He commands the land, sea, and air forces; he may issue emergency orders and take other necessary steps when the country is confronted with a grave danger or when its economic life meets with a serious crisis, subject to the duty of submitting his action to the ratification of the Legislative Yuan; he may request the Legislative Yuan to reconsider a legislative measure before its promulgation or enforcement, and only a vote of two-thirds of the members present can save the measure from being killed. One of his most significant functions is to serve as a kind of co-ordinator between the different departments of the Central Government. Article 45 provides:

The President may call a meeting of the presidents of the five Yuan to confer on matters relating to two or more Yuan or on such matters as he may bring up for consideration.

If the President exercises this power discreetly and wisely, he can contribute a tremendous lot to the smooth co-operation and proper functioning of the different parts of the machinery of the Central Government.

Students of political science who are familiar with the Western systems of government might ask whether our Draft

Constitution follows the presidential system or the cabinet system. Our answer is: It follows neither, but adopts something of both. *Vis-à-vis* the National Assembly, by which the President is elected and to which he is responsible, our government looks like a Cabinet System, of which he is the Prime Minister, with the Executive Yuan as his cabinet. But the National Assembly is not a parliament; it is more like an electorate and constitutional assembly in one. *Vis-à-vis* the Legislative Yuan, our government looks like a Presidential System, for the President is neither elected by nor responsible to it. But unlike the President under a presidential system, the President under our Constitution is responsible, not to the people in general, but to a definite body—that is, the National Assembly, which is always watching him and may check or even recall him when necessary.

Something must be said about the local institutions, especially their relationship with the Central Government. The local institutions as provided in the Draft Constitution are of two grades: (1) the provinces, and (2) the *hsien* and municipalities. The latter are “units of self-government,” whereas the former are rather administrative areas of the Central Government. The status of the provincial governments has raised serious doubt, but viewing the Constitution as a whole it is probably more proper to say that they are agents of the Central Government and serve as kind of *liaison* between the “units of self-government” and the Central Government. Historically the Chinese provinces have never been self-governing entities like the states of U. S. A. or the cantons of Switzerland.

The *hsien* and municipalities, being units of self-government, are being given by the Constitution wide powers. In the General Meeting, the people of each *hsien* or municipality elect directly their magistrate or mayor and members of the *Hsien* Council or the Municipal Council, as the case may be. Besides election, they also enjoy the other three political powers, *viz.*: recall, initiative, and referendum, as far as elected local officers and local matters are concerned. In Article 104 it is provided that “all matters that are local in nature are within the scope of self-government.” But, on the other hand, it is also provided that “the scope of local self-government shall be determined by law,” and it is to be

borne in mind that only the Legislative Yuan can make "law." Thus, while the powers of local government derive directly from the Constitution, they are subject to legislative restriction and control by the Central Government.

Students who are familiar with the political systems of the West might again ask whether our government is federal or unitary. Again our answer is: It is neither, but has something of both. The usual criterion by which political scientists test a government being unitary or federal, is whether the central government or the local government has the residuary power. In our Constitution, neither has it. It does not enumerate the powers either of the Central Government or of the local government. It entirely discards the idea of enumerated powers and residuary power, and adopts what may be called a functional distribution of powers, which is expressed by Dr. Sun Yat-sen in his "General Principles for National Reconstruction" as follows:

All matters that should be uniform throughout the country should be given to the charge of the Central Government; whereas all matters that require local adaptations should be given to the charge of the local government; thus striking a happy medium between unitary and federal systems.

6.

As we have seen in our exposition of *San-Min-Chu-I*, *Min-Seng-Chu-I*, the principle of People's Livelihood, ranks the first in importance, though it is treated last in order. In his "General Principles for National Reconstruction" Dr. Sun Yat-sen writes:

The people's livelihood is of prime importance in the program of national reconstruction.

Indeed, nowhere does Dr. Sun Yat-sen show his candidness and sagacity so fully as in his treatment of this problem. His method of treatment is a thoroughly practical one.

We must base our method, not upon abstruse theories or upon empty learning, but upon fact; and not facts peculiar to foreign countries, but facts observable in China.

So he brushes aside all foreign theories and faces the Chinese economic problems in a realistic manner. He does not

want to see China blindly follow the course either of absolute private capitalism or of undiluted Marxist communism. He would prefer an intermediate course between the two, and this he advocates in his own *Min-Seng-Chu-I*.

In Chapter VI, National Economic Life, an attempt is made to realize the leading ideas of Dr. Sun's *Min-Seng-Chu-I* in a concrete, practical, legal form. A perusal of this chapter will not fail to impress one that it has succeeded at least in tackling two vital factors in the economic life of the nation, *viz.*: land and capital.

In regard to land, I would like to cite a few provisions which illustrate how closely we have followed Dr. Sun-Yatsen's land principles.

The land within the territorial limits of the Republic of China belongs to the people as a whole. . . . Every landowner is responsible for the duty of utilizing his land to the fullest extent [Art. 117].

All subterranean minerals and natural forces which are economically utilizable for public benefit belong to the state and shall not be affected by private ownership of the land. [Art. 118].

The unearned increment shall be taxed by means of a land-value-increment tax and devoted to public benefit [Art. 119].

In readjusting the distribution of land, the state shall be guided by the principle of aiding and protecting the landowning farmer and the land-utilizing owners [Art. 120].

In regard to capital, I call the reader's attention to three articles which may show the nature and kind of capitalism that China is going to adopt.

[Art. 121:] The state may, in accordance with law, regulate private wealth and enterprises when such wealth is considered detrimental to the balanced development of national economic life.

[Art. 122:] The state shall encourage, guide, and protect the citizens' productive enterprises and the nation's foreign trade.

[Art. 123:] All public utilities and enterprises of a monopolistic nature shall be operated by the state; except in case of necessity the state may specially permit private operation.

It is evident from the above-cited articles that China has no intention to abolish at once the institution of private capitalism. On the contrary, private enterprises are constitu-

tionally guaranteed, encouraged, and protected—subject, of course, to regulation by law.

Chapter VII, Education, contains eight articles. The provision in Article 137 seems worthy of special attention, as it is the most concrete and the most judicious. It reads as follows:

Educational appropriations shall constitute no less than 15 per cent of the total amount of the budget of the Central Government and no less than 30 per cent of the total amount of the provincial, *hsien*, and municipal budgets respectively.

On this article, Mr. Wen Yuan-ning, the editor of the well-known *Tien Shia Monthly*, remarks:

The wisdom of such an article, no one in his senses can dispute. It is possible for other forms of government to exist with an illiterate population. But illiteracy goes ill with constitutionalism. The proper functioning of a constitutional government, especially in China, depends upon an intelligent and educated public. The more intelligent and educated the governed in a constitutional state, the smoother the wheels of government will run. Anything, therefore, which will forward the cause of education in China will also help the cause of constitutional government here.

This observation of Mr. Wen, I heartily endorse. I believe it is on education more than on anything else that the successful working of our Constitution will depend.

7.

The power of amending the Constitution is given to the National Assembly. But the procedure required in the constitutional amendment is different from ordinary acts or enactments of the National Assembly in two important respects: (1) An amendment to the Constitution may be made only when it is proposed by over one-fourth of the delegates to the Congress and passed by at least two-thirds of the delegates present at a meeting having a quorum of over three-fourths of the entire Assembly. (2) A proposed amendment to the Constitution must be made public by the proposer or proposers one year before the assembling of the National Assembly. It goes without saying that the last provision is

made in order to give the people of the whole country ample time to deliberate on and discuss the wisdom of the proposed amendment, and thereby enable them to express their opinions and instruct their delegates to act accordingly. In practical effect it will almost amount to a general referendum or plebiscite.

The question of interpreting the Constitution is a more difficult and complicated one. What organ is to be given this power? In the course of our drafting, various suggestions have been brought up for our consideration. In *Dr. Wu's Draft* a particular court, to be specially elected by the National Assembly from among persons of definite qualifications, is introduced. In a private draft of one of the members of our Constitution-Drafting Committee, the power of interpretation is to be exercised directly by the National Assembly. In the *Preliminary Draft* of the Committee, it is left to the Judicial Yuan to submit its tentative interpretation to the National Assembly for a final decision. In the so-called *Amended Preliminary Draft*, it is left to the Supreme Court to submit its tentative interpretations to the National Assembly. In the Draft of the Legislative Yuan, it is simply provided that the interpretation of the Constitution shall be done by the Judicial Yuan. Finally, in the *Double Five Draft*, a distinction is made. As a rule, "the interpretation of the Constitution shall be done by the Judicial Yuan" [Art. 142]. But as "laws in conflict with the Constitution are null and void," the Draft sees fit to provide a special procedure by which the "power of constitutional review" is to be exercised. Thus, in Article 140 it is provided:

The question whether a law is in conflict with the Constitution shall be settled by the Control Yuan submitting the point to the Judicial Yuan for interpretation within six months after its enforcement.

That is to say, if the Control Yuan does not raise the point, the Judicial Yuan has no right to pass upon the constitutionality of any law. The system may seem a bit complicated to some, but it undoubtedly serves as a check on the judiciary from getting too powerful.

I have attempted to present only the salient points of the Final Draft Constitution for the consideration of the readers.

As the Draft is the result of years of labor and collaboration between the drafters and the general public, and as it is the formal draft that the Kuomintang and the National Government are going to submit to the first National Assembly to be convened within one year after the war, it is reasonable to expect that the Draft will be adopted by the Congress without much radical change.

It must be understood, however, that I am not claiming finality for the Draft Constitution, or that I am of the opinion that there should be no changes at all. That would be far from my point. In fact, in a speech before the People's Political Council three years ago, I explicitly declared that no constitution can be made for all time, for no human institution is perfect. A constitution, to be living, must march with the times and be open to revisions. It is altogether probable that salutary changes will be introduced by the National Assembly to the Final Draft, especially those necessitated by the bitter experience of, and lessons gained from, the present war.

8

DEMOCRATIZATION OF THE GOVERNMENT AND PLANNED ECONOMY *

1.

WE HAVE TAKEN the fulfillment of *San-Min-Chu-I* as the goal of our revolution. In the past few decades, we have exerted our efforts mainly toward the realization of *Min-Chuh-Chu-I* (national freedom). The problem of national freedom will be completely solved upon the victorious conclusion of this war when China's freedom and equality will have been achieved. The work which now confronts us and which demands our equally great exertions is the realization of *Min-Chu'an-Chu-I* (democracy) and of *Min-Seng-Chu-I* (People's Livelihood).

* Speech delivered before the Political and Party Affairs Section, the Central Training Institute, Chungking, February 23, 1944.

Min-Chu'an-Chu-I is to build up a genuinely democratic China, the sovereignty of which shall be vested in the Chinese people. To transfer the sovereignty to the people, the Kuomintang and the present government must make some changes in their practice. The practice of the Kuomintang, in particular, must first of all be readjusted thoroughly. The reorganization of the Kuomintang in 1924 originally aimed at the establishment of the system of democratic centralization.

The term "democratic" means that the Kuomintang is founded on its basic organizations and that the organization of the Kuomintang as a whole develops from the bottom to the top. The higher party headquarters were to be formed by the members elected by either the individual party members or the lower party headquarters. The term "centralization" means that through the process of decisions, first by the meeting of the lower organizations and finally by the meeting of the central organization (the National Congress of the Kuomintang or the Plenary Session of the Central Executive Committee), the will of the whole membership of the Kuomintang should become a binding force to which each and every one of its members would submit. According to the principle of democratic centralization, all party members should observe the resolutions passed in the meeting of the central organization of the Kuomintang, and the lower organizations should execute the directives given by the higher organizations. Indeed, we have already achieved the aim of centralization, but we now have forgotten the very substance and method of democracy.

In the later part of 1923, when Dr. Sun Yat-sen directed the reorganization of the Kuomintang, the first thing we did was to draft the Party Constitution, to take Canton as the experimental zone for the administration of party affairs, and to establish there district party headquarters and sub-district party headquarters as its basic organizations. All the high, responsible members of the Kuomintang were mobilized to investigate and register the party members, to direct the formation of party headquarters, to hold meetings of the party members, to elect the committees of the sub-district party headquarters, to elect the representatives of the sub-district party headquarters, to form the representative body of the

district party headquarters, and to elect the district committees. In January 1924 the First National Congress of the Kuomintang was held, when the new Party Constitution was adopted. The district party headquarters were reorganized according to the new Party Constitution. So since 1924 the Kuomintang has been organized on the basis of the system of democratic centralization. If we had strictly observed the principle of democracy during the past twenty years, the democratic spirit of the Kuomintang would today shine brilliantly. Unfortunately, we have not strictly observed this principle for various reasons. As a result, the organization of Kuomintang now moves on the contrary from the top down to the bottom. The members of the committees of the provincial and municipal party headquarters, for instance, are appointed by the central party headquarters. The organization of Kuomintang has thus become a governmental or even bureaucratic organization contrary to the spirit of democracy. So today it is, it appears, somewhat difficult for it to be changed by any immediate action.

The National Congress of the Kuomintang should have been formed by the representatives elected by the party members throughout the country. If the responsible personalities of the provincial and municipal party headquarters were appointed by the central party headquarters, how could the provincial and municipal party headquarters in turn send out to the National Congress of the Kuomintang representatives who really would speak for the individual party members in the areas under their leadership? Does it not mean that the representatives to the Kuomintang National Congress elect themselves? We must frankly admit the fact that in these twenty years the machinery and practice of the Kuomintang have turned in a wrong direction, inconsistent with the Party Constitution drafted by Dr. Sun Yat-sen in 1923 and contrary to the spirit of democracy. The practice of the revolutionary party has consequently become the same as that of a bureaucratic regime.

Of course, the calling of the Kuomintang National Congress today when we are at war would certainly present many difficulties. Yet the election of representatives to the Congress is an even more difficult question. If the representatives to the Congress were elected from among the members of

the present committees of the provincial and municipal party headquarters, and were in turn selected by the central party headquarters, it would be a ridiculous act inconsistent with the principle of democracy. I feel strongly that to realize democracy in this state, we must first democratize the Kuomintang. The democratization of the Kuomintang is the condition precedent to the democratization of the state and to the establishment of the democratic government as aimed at in the *Min-Chu'an-Chu-I*.

2.

But how can our government be democratized? It depends on the democratic attitude and psychology of the Kuomintang. We cannot be misled by its glorious history in the past few decades—the overthrow of the Manchu Dynasty, the extermination of the Northern warlords, and the direction of the present armed resistance to Japan—and we cannot think that the Kuomintang should permanently be the party in power and permanently be the ruling caste of China. We must fully realize that a political party is the vanguard of its people. The making of sacrifice for the country and people is its inescapable duty. It should by no means become the ruler of its people, neither a ruling class nor a noble caste in the state. We have read the history of China and that of the outside world. We know therefrom that a party or a political force would easily become the object of revolution if it did not maintain a democratic attitude toward its people, or if it became the ruling caste in the state after it had gained power.

Unfortunately, we have in the past assumed unwillingly the attitude and habit of a ruling caste. The suppression of outside criticism against our party, and even criticism by our party comrades, bespeaks this fact. The number of our party members is less than one per cent of the Chinese population. The Kuomintang is simply a minority in terms of population. But we have come to regard ourselves as if we were the sovereign power entitled to the enjoyment of a special position and to the suppression of all criticism whatsoever against us. It is dictatorship and tyranny which the peoples of the world today are trying to destroy by means of sacrifices of their lives and blood. For these reasons we must, first of all,

reorientate our psychology and correct our attitude of intolerance.

Secondly, to build up a genuine democratic state we must show our democratic spirit in action, in addition to the change of our attitude. Policies concerning the state must be discussed and elaborated among us all. In discussions views, ideas, and criticisms must be allowed to be expressed as fully as possible and decisions be made only upon the conclusion of debate. This is the practice of democracy. The Kuomintang once followed such a practice in the past, but it was not widespread enough. This can be attributed to the fact that, on account of the lack of collective life in the old Chinese society, most of us are bent on our own views and prejudices, decline to discuss matters open-mindedly, and reject criticism by others. This habit has deplorably handicapped the general development of democratic practice in China. To foster democratic practice in China today is, therefore, a very pressing need. It is the second task to which we must exert our great efforts.

Thirdly, we must learn democratic methods. To build up a *Min-Chu'an-Chu-I* society and a *Min-Chu'an-Chu-I* State, we must learn democratic methods. The Chinese Revolution was not accomplished until thirty-three years ago. For thousands of years China had been ruled by tyrants, and her people deprived of the freedom of political discussion. Democracy was but a myth to them. So, to enforce democracy we had first to conduct a general election. But the common people, even the middle and upper classes, in this country, as facts have shown, did not pay much attention to the methods of election. The local election, such as the election of the councillors of the provincial and district councils, is mostly a false one based on bogus recordings of votes. It would no doubt be a great disappointment to the outside world if there should exist a bogus record of votes in the future when constitutional government has been enforced.

The democratic nations of Great Britain and the United States attach great importance to methods of conducting their democratic system. Their citizens have practiced democratic methods since their childhood. In public high schools and even primary schools there are student associations which effectively control their students without the assistance of the

teachers. A student who violates any rule will be disciplined by the students themselves. After, say, eight or ten years of such practice, the young people know how to behave as citizens and know how to cast their votes in a public election. We have not given our common citizens any chance to practice such methods.

The small group under sub-district party headquarters is in fact a good instrument for practicing the methods of democracy by our party members. *The First Step to Democracy*, by Dr. Sun Yat-sen, is a very good guide to the practice of democracy. But we ignore this pamphlet and fail to understand the purpose of the author. As a result, we are still ignorant of the procedure of ordinary meetings. How, then, can we administer our state affairs properly? Some twenty years ago Dr. Sun Yat-sen, who was deeply conscious of the backwardness of Chinese society, wrote this pamphlet in Shanghai at a cost of several months' work. He intended to provide the public bodies of the masses with guidance in the procedure at meetings. However, for over twenty years the party training did not take *The First Step to Democracy* as its principal lesson. Some even fail to understand, and believe that the method of democracy is now out of date. This is an error. It is not yet out of date.

To practice the method of democracy, we all must study this pamphlet and hold our meetings according to the procedure set forth therein. Today, when the government organizations and the public bodies of the masses hold their meetings, they do not, in many respects, strictly adhere to the rules set forth in the pamphlet. Most resolutions of the meetings were not passed by the proper decision of the meetings. For instance, meetings are often full of life at first; when it is quiet it means, in many cases, the approval of the recommendations submitted to it. The chairman, too, does not clearly realize his duties and abuses the power of chairmanship. A chairman is generally empowered to take charge of the conduct of the meeting, the discussion of the agenda, and the upholding of rules governing meetings; and to make decision on matters only when two opposing groups of an equal number hold steadfastly to their own points of view. But now, on account of the impatience either of the audience or of the chairman, most resolutions are passed either

through the silence of the meeting or by the decision of the chairman without full debate. This bespeaks our ignorance of the rules of conducting meetings. Such a situation must be readjusted completely when constitutional government is introduced. We must readjust this situation by the application of the rules laid down in *The First Step to Democracy*. After a lengthy period of this application, we will accustom ourselves to the method of democracy. The district and central party meetings on politics will certainly proceed satisfactorily when each and every one of us has been accustomed to democratic practice and understands the method of democracy.

The three points discussed above aim at the democratization of our political practice. Only through the democratization of our politics can *Min-Chu'an-Chu-I* be realized. We have already spent sixteen years in political tutelage. Yet there is not a single councillor of the *hsien* People's Political Council or a *hsien* administrator elected by the people. It is our negligence that we have not really introduced democracy in the past. Over ten years have gone by. Today we survey our past in an attempt to detect the mistakes we have made and to see what readjustments and improvements are necessary and possible. All the above is the discussion on the necessities and mode of democratic politics, from the viewpoint of *Min-Chu'an-Chu-I*.

3.

Now we come to the trends of the modern world. It is very clear that democracies not only will eradicate the militarism fostered by the Fascists, Nazis, and Japanese militarists, but will uproot their dictatorship after their defeat. This means the total destruction of their present governments and the establishment of new governments under which their people shall have the right to discuss their own politics. Judging from the development of the world situation, we find that the anti-democratic force of the Fascists, Nazis and Japanese militarists is already doomed. After the defeat of Germany and Japan this globe will become a world ruled by democracy. Once the world is ruled by the democratic force, we must leave no room whatever for the resurrection of dictatorship.

Recently public opinion in Great Britain and the United States has criticized China. Why? Because they fear that China may take the road to fascism, for they feel that the Kuomintang is moving in the direction of dictatorship and becoming a peculiar ruling caste which rejects the legal position of the other parties in China. These criticisms would perhaps contribute to their misunderstanding of the real condition of China, and to the sufferings and sacrifices we have faced in these two world wars. They think that the suppression of opposition parties, the strict censorship of press and speech, and the limitation of meeting and assembly are imitations of Hitlerite Germany, Mussolinian Italy, and militarist Japan. They are asking why China imitates such gestures. For these reasons suspicion awakes in their minds.

This suspicion is a great danger to the future of China. We are in need of constructive aid from our allies during the war, and will need it even after our ultimate victory. Of course, our allies will not come to terms with Japan halfway through the war at our expense. But if in the postwar era our allies would think that, with the reign of Kuomintang, China would not become a democratic nation, but a fascist and aggressive state, they might take every precaution necessary and would perhaps refuse our co-operation. In that case, China would be isolated. As a nation in the postwar world China must have friends, such as the United States, Great Britain, and the Soviet Union, with whom she must closely collaborate in the reconstruction of the world. To attain this aim, we must see our way to remove their suspicions. It is the way that we replace our present political practice with a new, democratic political practice that will enable them to recognize China as a democracy.

The realization of political democracy in Great Britain and the United States means essentially the coexistence of the party in power and the party in opposition. In the British Parliament the members sit face to face on two opposite benches, one for the members of the party in power and the other for the opposition. The British Government affords the leader of the opposition party special privileges. The leader of the opposition party constantly appears in Parliament and has no time to attend to his own profession. The government

provides him with an annual salary, enabling him to lead his party in opposition to the government. This is the method of British democracy.

In the United States there are two parties. For more than ten years the Democratic Party has been in power. The present President, Mr. Franklin Roosevelt, has been in office for twelve consecutive years and enjoys a distinguished reputation. But from the latter part of last year up to date, more and more opposition has risen. The result of the latest election reveals that most of the state governors and state representatives are Republicans, and that the Democratic Party is, it seems, put in a relatively unfavorable position. Mr. Franklin Roosevelt may possibly be re-elected in the latter part of this year; but the Democrats will, they fear, lose their control seats in Congress because Americans do not like to have any party ruling the nation for too long.

Between the policies advocated by the Democratic Party and those by the Republican Party there is no great difference. The foreign policy pledged by Mr. Wendell Willkie and the foreign policy executed by President Roosevelt are similar to each other, and their internal policies are not much different.

In a word, democracy in Great Britain and the United States means essentially the coexistence of, say, two opposing parties.

British and American public opinion has charged that the Soviet Union is not a genuine democracy because of the absence of an opposition party in that Union; and that the annual Congress of the Supreme Soviet amounts to a general meeting which only hears reports. However, from the standpoint of the Soviet Union herself, she cannot and need not have any other party as she has no landlords and capitalists, but only laborers, peasants, intellectuals, and proletarians on her soil.

British and American public opinion regards a nation with the absolute power vested in one party as a non-democratic state and the restriction of press, assembly, and meeting as the denial of political freedom. Basing themselves on this theory recently, they appear less sympathetic to us than to the Chinese Communist Party, which is in opposition

to the Kuomintang. They do not urge China to adopt communism. Communism is not the question to which they pay attention. For instance, the *New York Times*, the *London Times*, *Life*, *Time*, and *Fortune*, which represent the capitalist class and speak for the capitalists, sympathize with the Chinese Communist Party. Why do they? They charge that the Kuomintang cannot carry out democracy and that it rejects the existence of the other parties when it is in power. Of course, this is an erroneous view which demands our prompt correction. They base their argument on the existence of an opposition party and the method of formation of the government. They think a government which is not formed through the procedure of election by the people cannot be regarded as a democratic government. In fact, there do exist parties in China. And election of government by its people is the very procedure for the formation of government as formulated in *Min-Chu'an-Chu-I*. As soon as we realize the *Min-Chu'an-Chu-I* in the postwar era, this misunderstanding on the part of British and American public opinion will automatically be removed. Conditional to democracy is the achievement of constitutional government.

Last September our party leader, Generalissimo Chiang Kai-shek, declared, "The foundation of political reconstruction lies in the achievement of constitutional government. The achievement of constitutional government and the accomplishment of state construction are, in fact, the supreme goal of the national revolution of this party." He further declared, "After the achievement of constitutional government, this party will stand on the same legal footing as do the citizens and other common parties. It will enjoy equal rights and interests in meeting, association, speech, and press under law. It will discharge equal duties to the country and receive equal treatment from the country." The Kuomintang will, this means, abandon its special position and surrender the political power to the people, who will elect, through the most democratic channel, their representatives to form the new government. If the Kuomintang is then entrusted by the people, it will again administer the political affairs on behalf of the people; otherwise, it will retire to the same position as the common citizens and will supervise the government. This will be the condition of China after the

achievement of her constitutional government. The realization of *Min-Chu'an-Chu-I* will automatically remove misunderstandings of us on the part of friendly nations.

The procedure of constitutional government is, in brief, the enactment of the Constitution by the Constitutional Congress, the convention of the First National Assembly in pursuance of the stipulations of the Constitution, and the establishment of the central government. According to *The General Principles of National Reconstruction*, by Dr. Sun Yat-sen, constitutional government will not be realized until a greater number of the provinces and special areas of the country have attained self-government. However, this might be too tardy a process for us to be able to meet the trends of the modern world in the light of the situations both within and without, unless we enforce constitutional government before the accomplishment of the self-government of the more than two thousand *hsien* in the country. We must enforce constitutional government at the right time. After this the government will continue to help the work of self-government in the areas where the process of self-government has not yet been completed. At the present time, when the end of the war is still some time ahead, both the party and the present government must speed up the work of local self-government. This precious time must neither be neglected nor missed. In short, only through the democratization of our politics can we secure the future of our nation. The realization of democracy means the fulfillment of the power politics of the people.

4.

Economically, a *San-Min-Chu-I* state not only will realize *Min-Chuh-Chu-I* and *Min-Chu'an-Chu-I* but also will realize *Min-Seng-Chu-I*. *Min-Seng-Chu-I* is the main direction of our economic reconstruction. Both Britain and America adopt a free economy. A free economy means that the people have the freedom to compete with one another in all economic enterprises and the government imposes no strict interference. The development of free economy will inevitably result in capitalism. Great Britain and the United States are capitalistic nations. If China adopts free economy, which is, as facts have shown, inconsistent with her own needs, she will

have to spend more than one hundred years to attain her goal.

According to the directions formulated in *Min-Seng-Chu-I*, China must adopt a planned economy little different from that of the Soviet Union. The economic enterprises of the Soviet Union are totally run by the state. This system is not entirely consistent with the needs of China. We will only control our national economy. We can achieve the goal of *Min-Seng-Chu-I* by simply controlling the direction and process of the reconstruction of national economy. If we should embark on a five-year economic plan in the postwar years, we must build up heavy industry on the one hand and exert pressure on light industry on the other in order that our national economy will meet with the requirements of our economic plan. In view of the present international situation and that which will ensue after the war, we cannot close our eyes and rest, but must lay great stress on national defense reconstruction. If the catastrophe of war does not disappear with the cessation of this war, we must take precautions not to let our younger generation suffer adversities equal to those we suffered in this war. To accomplish national defense and the reconstruction of basic industries, the state must direct the capital of the people to the establishment of national heavy industries.

Some might feel that it is ridiculous if we democratize our politics on the one hand and operate planned economy on the other. This argument is not entirely groundless. Our economy will inevitably become a capitalist economy if our democratic politics follow the footsteps of Great Britain and the United States. But our democracy will not be the exact reprint of the British and American type. It is the democracy which is based on *San-Min-Chu-I* and the Five-Power Constitution. Of course, we will apply British and American methods which are consistent with *San-Min-Chu-I*. Similarly, the Soviet system of state control over all commercial and industrial enterprises, which leaves no room for private enterprises, is not suitable to China's condition and her objectives. Also, we cannot exactly copy the Soviet model. In the reconstruction of our economy, we would take for reference both the Soviet system and the Anglo-American system of wartime control over their economic enterprises. At present, Great

Britain employs the method of rationing in the distribution of cloth, food, and other daily necessities. Both production and consumption are placed under planned control. She reduces her civilian consumption in favor of increasing her war production in support of her war efforts.

The United States, which has been endowed with more natural resources, does not impose rationing as severely as Great Britain. In 1943 the production of war material in the United States was worth US\$84,000,000,000, while the production for civilian consumption was as much as US\$90,000,000,000. Yet her civilian production lags behind its demand, on account of the increase of purchasing power caused by the increase of war production. America's war industries, such as war plants, arsenals, and aircraft factories, are run by private hands. The government places its orders, for instance, for cannon and aircraft with the private concerns. However, the installations of the private concerns are too small to meet the demands. For instance, only a few thousand airplanes were produced yearly in peacetime. Now, in time of war, the demand has increased to as much as over ten thousand airplanes. On account of the inadequacy of private installations, the American Government builds and equips new plants. Upon the completion of these new plants, the government hands them over to the private hands which will run them for it. The United States can employ these methods, as her industries have been highly developed. But China has no such favorable factor.

In China the state must, in the postwar era, concentrate its total efforts on running all monopolistic and basic industries and national-defense industries and leave the light industries and consumption-goods industries in the hands of the private concerns. The production of unnecessary luxuries and consumption goods must be restricted, and the capital left therefrom will be used to build the more urgent units of national reconstruction. This is what I mean by planned economy and the materialization of *Min-Seng-Chu-I* in postwar times.

Only through democratic politics and planned economy can China secure her bright future.

THE CHALLENGE TO THE SAN-MIN-CHU-I YOUTH CORPS *

1.

IT IS RELATED that Napoleon had the habit of taking a nap or going into profound slumber on the eve of decisive battles. But before he relaxed, he would instruct his immediate attendants not to disturb him when good news from the battle front was received, but that if the news was bad and the tide of battle turning against him, he was to be awakened at once, at any hour of the night. That I think was a secret of Napoleon's success in war.

We are apt to feel elated when we hear laudatory things said about us, or feel offended at adverse criticism. That is human nature. But for political leaders, such an attitude is dangerous. And for us, who are the party in power and responsible for the success or failure of our country in a war for national survival, which means the rise or fall of China as an independent and free country, such an attitude may prove disastrous.

If we have not yet formed the habit of receiving outside criticism with a spirit of tolerance, we should at least allow ourselves the privilege of self-criticism, that is, frank and outspoken criticism of our own mistakes and shortcomings by our own party or corps members. It is only through frank and sincere self-examination and self-criticism that we may hope to correct our past and current mistaken practices, and to find the means for improvement.

Let us consider the situation of the San-Min-Chu-I Youth Corps. I am informed by some that the work of enlisting and organizing the promising youth of the country into the Corps is beset with serious difficulties. The general complaint is that the younger generation is apathetic toward the Youth Corps, that the young men don't seem to take much interest in what it is trying to do to them. There is little if any genu-

* From a speech at the San-Min-Chu-I Youth Corps Workers' Conference, Chungking, April 3, 1944.

ine enthusiasm for the Corps. Let us inquire into the underlying causes for this unhappy situation.

I think there is something wrong with the method of approach. The San-Min-Chu-I Youth Corps is supposed to train and organize the promising youth of the nation for national service and leadership. This is done by instituting political training and military discipline. Instead of guiding them to think for themselves, it has been drilling them to repeat by rote the *San-Min-Chu-I* political creed. Instead of teaching them the methods of democratic practice and leadership, it has been imposing upon them military regimentation in the name of discipline. Discipline, of course, is required to habituate them to law and order. But the thing may be overdone. As a result, the people we are turning out from the various training centers become rather like puppets. The first thing they learn to perfection is how to click heels at the mention of, or mere reference to, the Supreme Leader. Heel-clicking may be proper in the army, but it is not the appropriate thing to do among people in a democratic country. For instance, you don't see Englishmen jumping up from their seats and clicking their heels at the mere mention of their sovereign's name, or have you ever seen or heard that Americans at home or abroad would click heels every time President Roosevelt's name is mentioned, even at their political party meetings? The only examples of such practice that I know of were Russian émigré officers when they spoke about their dead Czar, and the German Nazis heil-Hitlering their Fuhrer. But why should we adopt the outmoded practice of the Czarist Russians or imitate the behaviour of our Nazi enemies?

Another question we should ask ourselves is, for what practical purpose is the Youth Corps organized? What useful work can the Corps members take up after they have gone through the required training? So far as I am able to know, they don't seem to have anything worthwhile to do after they are trained and organized. This is like a man all dressed up with no place to go. No wonder that even the young people in the Youth Corps are dissatisfied with such a state of affairs.

Three and a half years ago, when commodity prices first showed an inclination to go skyward, I remember discussing

this problem with some Youth Corps leaders. I was then working out a proposal for the State purchase and distribution of rice as a means of preventing inflation and controlling prices. To meet the objection that my proposal was impracticable because of lack of properly trained personnel, of which some 200,000 would be needed, it occurred to me that such required personnel might be furnished by the Youth Corps. Since the majority of the Youth Corps men are college students, it may be practicable to give them a few months' training, and organize them into local personnel attached to the hsien administrations for this purpose. This idea of mine was enthusiastically received by the secretary-general of the organization then in charge. He assured me personally that his young men would take to the work assigned them with enthusiasm and revolutionary fervour, once it was decided that State purchase and collection of rice and its public distribution were to be carried out as a war measure. Unfortunately my proposal was not adopted in its entirety. The Youth Corps missed a great opportunity for national service, and inflation was given a free ticket to heaven.

2.

However, it is idle to be nostalgic about a lost opportunity. What is of more importance now is to devise new ways and means whereby our young men and young women can offer their services to the country. A group of young college men has signed up for service as interpreters with the American Armed Forces. That is very well. But there are still tens of thousands of others behind the front lines, who desire to render service but are not yet given a chance.

It seems to me that another such great opportunity for intelligent and honest young people to be of service is about to be presented. This is the urgent need to democratise our village and local self-government, in preparation for constitutional democratic government.

Village government is now and has been for a long time the private preserve of the corrupt gentry and rapacious landowners. Since the war, the tyrannous grip of these local leaders over the village people has been tighter than ever. Taking advantage of the government measures for the collection of grain and the conscription of soldiers, these people

have increased their power for evil-doing, all at the expense of our helpless peasantry, who are the real heroes in this war—for are they not the people who grow the food for the cities and provide the recruits for the army? These corrupt oppressors of our people must be deprived of their power if a truly democratic government is to be built up in this country.

To clean out corruption and oppression from the village and local administrations, and to introduce genuine local self-government, it is necessary to bring in new men and use new methods. Here is where the San-Min-Chu-I Youth Corps can render great service to the country. I would urge that it readapt its training program, so that men may be given adequate training for democratic leadership and local administration. Such trained men can then be assigned to serve as local leaders, or to stand as candidates for election to local offices when such democratic elections will be held.

One common objection to such a proposal is that our young people would lack the needed experience to serve as local self-government leaders. That may be so in the beginning. But the experience will be acquired in proper time, when our trained youth is given the chance to serve the people. If our young men don't have experience, they at least have the honesty and sincerity for public service, which qualities are generally absent in the landed gentry and professional mandarins now doing so much harm exploiting the poor helpless peasants in order to make themselves bigger landowners.

The talk about our people's inexperience for self-government is sickening. I have no patience with such talk. Even in British India they have elected legislatures in the provinces! Were not the Filipinos ignorant and inexperienced in the ways of self-rule when the Americans took over the islands from the Spaniards in 1898? Yet, way back in 1917, when I first visited the islands, all provincial legislatures and municipal councils were elective bodies composed of native Filipinos, and all provincial governors and city mayors were officials elected by their own constituencies. Do we regard our own people as lower in intellect and experience than even these colonials? Do we desire to degrade China to the status of a sub-colonial country, by insisting that our Chinese people are still unfit for self-government?

If this assertion that we are unfit for home-rule is true, great indeed is the failure of the Kuomintang in its mission of tutelage to train our people for democratic government. We have been at it now for sixteen years. This is a long time as human life is measured. In sixteen years, a small boy starting out in his school career would pass from primary school pupil to university graduate. Yet after sixteen years of political tutelage, we say the Chinese people are still unfit and unready for self-government!

A great challenge is now presented to the San-Min-Chu-I Youth Corps. It can be the vanguard of a great, democratic China, proud to take her place among the leading democratic nations. It can accept this challenge only when it has been convinced of the errors of its past record. It must scrap the heel-clicking, thought-befuddling method of training our youth. It must introduce genuine democratic practice in thought and action in the training of the youth of this country, if the younger generation is to take its place as future leaders of a democratic China. I hope it will succeed in this mission, for its responsibility is too great for failure.

PART THREE
To Better Livelihood

10

WARTIME ECONOMIC PROBLEMS, THEIR
SOLUTION AND BEARING ON POST-
WAR RECONSTRUCTION *

1.

THE CHINESE PEOPLE, while engaged in a life and death struggle for their national existence, are today confronted with grave economic problems. As time goes by and the war is prolonged, these problems have become more and more aggravated, and therefore demand our immediate and serious attention for their early solution.

Due to the rise in consumption of commodities and enormous increase of national expenditure, the issue of banknotes, which are legal tender, must perforce be increased to meet budgetary demands. Hence the prevailing rise in prices. This rise will happen to any country engaged in a long and large-scale conflict. During the last great war, not only Germany after her defeat and Russia during her Revolution, but even Britain, France, and the United States after their victory all suffered to a greater or less degree from the ill effects of inflation. The three victorious powers were fortunately in a better position to take necessary measures to combat successfully the inflation danger. If proper remedial measures such as efficient price-control and proper rationing of essential supplies are adopted in time by a government, it is not

* From an address to the Legislative Yuan, Chungking, November 30, 1940.

Note: Dollar amounts in this chapter are in Chinese dollars.

altogether impossible to avoid the pitfalls of currency inflation.

Today our national economy is beset with grave difficulties. The trouble has been traced to four major causes: (1) As the overburdened inadequate lines of transport and communications have increased their charges on traffic more than ten times, the premarket costs of production have as a result been going up, too. (2) Since the removal of the seat of government to Szechuan, consumption in this part of the land has been considerably enlarged with the sudden growth of population, thus rendering supply hard to keep up with the demand. (3) War profiteers, taking undue advantage of the situation, are buying and hoarding large quantities of materials, thereby forcing prices up still further. (4) With the masses of able-bodied young men in the Army, the productive manpower in the rear has badly shrunk, causing the supply of goods to dwindle out of proportion to the growing demand. But the real fundamental cause of the general price rise is decidedly attributable to currency inflation made necessary by the mounting war expenditures.

2.

No country at war can make both ends meet. The common makeshifts are: to raise loans in the shape of victory-bond issues, to increase the rates of existing taxes and institute new ones, to issue more currency notes than at ordinary times, etc. In such ways, the living standard of the nation will be lowered and their remnant earnings gathered into the hands of the state for stopping up the gap. The revenues of this country, inadequate for national defense and administrative functions even in normal times, fall grievously short of the requirements of war. No other country has been so light of hand in levying taxes or in contracting national debts as China. Whenever there is deficiency, the practice has been to borrow from banks, which have to print more and more legal-tender notes. But these, once in circulation, cannot be withdrawn by the banks in any appreciable quantity. We have, therefore, a swollen outflow and a trickling influx, and the balance of payment and receipt is thereby upset. With the increasing output of paper currency, prices and wages rise accordingly. Meantime, the people, to guard against the

growing costs of commodities, store up goods rather than accumulate money. This is a two-edged blade, cutting both ways: on the one hand, the accelerated demand depletes the already diminishing supply of goods, hence causes the rise of prices; on the other hand, the circulation of currency is speeded up, which is in effect equivalent to a fresh issue of paper money and cheapens still further its purchasing value. Both these panic situations gather momentum as the process goes on, doing great damage to individuals and the state alike. The unwholesome effects of inflation on prices when it runs out of control are not to be made light of, though we are fully conscious of the government's dilemma and would give them our sincere sympathy.

Before the war, the total volume of banknotes in circulation was \$1,400,000,000. With national expenditure steadily increasing and the people hoarding goods instead of depositing money in the banks, for fear of loss or with a view to profit, the national banks are forced to issue floods of banknotes to defray the expenses of the war. When food prices go up, the indices of all other things, including wages, are bound to follow suit. For instance, farm laborers, who formerly asked for only a few dimes a day for transplanting rice seedlings, must now be paid many dollars per working day per person. This prevailing rise of prices casts its shadow, not only on social economy, but also on the nation's finance; for the budget, after it has been ratified by the legislature, is quickly rendered inoperative before the elapse of a few months.

3.

Judging from current conditions, the nation's budget must continue to mount as the years go by. Since the outbreak of this war, the budgetary estimates of national revenue and expenditure have been repeatedly rendered ineffectual by changing circumstances. But, however difficult the financial situation may be, we have got to go on with the war, and at the same time carry out the great task of national construction. No one has yet suggested that because of lack of funds, we should cease fighting the enemy invader and give up the work of building up our country into a unified, democratic modern state. Despite all obstacles we must go on with it

unless we decide on national suicide as the lesser evil—which is, of course, preposterous.

After victory is won, what will be the approximate yearly cost for state construction and maintenance of national services? First, military readiness for national defense and local security will be indispensable. Even the minimum maintenance for these two items would not be inconsiderable. At present, the Regular Army on the front and in reserve numbers well over 5,000,000 men. When the war is over, the disbanded troops can be easily absorbed by the local militia and police force. Supposing the total enlistment of the standing Army and these two forces is also 5,000,000, with pay at \$60 each a month, plus 300,000 officers at \$150 each on the average a month, the lowest yearly maintenance cost will be \$4,140,000,000. Arms and equipment, uniforms, barracks, motor transport, etc., which are highly expensive, are not included in this figure.*

Next come educational expenses. It goes without saying that if we want to construct a modern state, illiteracy must be wiped out, the general cultural level raised, and technical ability inculcated in great masses of the nation. If each average family of five sends one child to a grade school, 90,000,000 families, which make up our total population, must have as many children. If every grade school takes care of 100 children, 900,000 schools would be needed. Granting each school 3 teachers, doing also clerical work, there would be 2.7 million teachers. If each of them were to be paid \$100 a month, the total for salaries would come up to \$3,240,000,000 a year. Besides, there are the middle schools, technical schools, colleges, and universities. If one-tenth of the boys and girls coming out of grade schools enter middle schools, and one-tenth leaving the latter get enrolled in technical schools, colleges, and universities, there will be 9,000,000 intermediate and 900,000 technical and advanced students, in all about 10,000,000. If every 20 of these 10,000,000 were to have a faculty or staff member, who is paid an average monthly maintenance fee of \$200, a year's total would be \$1,200,000,000. Thus, the salaries of all classes of teachers, when scraped to the bone, would annually aggregate \$4,440,000,000. This, be it noted,

* It should be recalled that the figures in this section were compiled as of 1940 salary levels, since greatly increased by inflation.—Ed.

does not include the construction cost for school buildings, libraries, laboratories, playgrounds, and dormitories, which must come to a considerable sum.

Thirdly, officials of the central and local governments will be more than a million men. At present, every 10 households form a *cha* and every 10 *cha* a *pao*; the whole nation ought to have around 900,000 *pao*. If each of these employs a clerical worker, who is to be paid \$100 a month, the total monthly pay roll would be \$90,000,000. And to carry on the functions of the district, township, village, and *hsien* ruling bodies as well as those of the provincial and central governments, another large amount is necessary. Altogether, \$3,500 million would be a meager sum for just the salaries of all the public servants, exclusive of cost for office buildings, fixtures, etc.

Fourthly, our future public-health service should be an important feature in state construction. We are now paying for it a ridiculously low figure when compared with other countries. The United States has a general medical practitioner for every 400 or 500 people, and still there are plenty of complaints that the majority of the population is not getting proper medical care. We should at least have a general practitioner and an assistant per 1,000 to begin with. In that case, 900,000 physicians with an equal number of assistants would be wanted. If each of them is paid an average of \$200, a minimum outlay of \$180,000,000 every month, or \$2,160,000,000 a year has to be provided for their services. Of course, hospitals and medical and surgical equipment and supplies, etc., are to be provided for outside of this sum.

As regards the management of communications and transportation, it is taken for granted that such enterprises must be self-supporting. The above-mentioned four main services, i.e. defense and police, education, government and administration, and health and medical, are, however, without revenues, and yet must be attended to and maintained somehow. Add them together, and we have to pay out \$14,240,000,000 a year. Add another \$5,000,000,000 or so for running expenses (exclusive of salaries) and for countless varieties of buildings and equipment—military, educational, government, and medical—and the total expenditure of \$20,000,000,000 is not at all excessive. With respect to nation-wide construction works of all sorts and kinds, let it be set down at \$10,000,000,-

ooo for postwar annual investment, when a five-year plan will be pursued in earnest. The grand total of \$30,000,000,000, an astronomical figure, but actually to be reduced by a decimal in terms of the prewar dollar, is the least budgetary expenditure the nation must be prepared for, if a modern state is to arise out of the ashes and ruin of our country.

4.

Since postwar reconstruction requires such a tremendous amount of money, many people shake their heads in disapproval, as if a modern state could be realized gratis by the wave of a magic wand. But since we are determined on the importance and urgency of our task, surely nothing should daunt us. Our annual total national income is tentatively estimated at from \$80,000,000,000 to \$135,000,000,000; thus, a budget of \$30,000,000,000 is only about 30 per cent of the whole. If the people, after having done their duties for the general good, could have the remaining portion of the national income justly distributed among themselves for maintaining a rather even and tolerable living, the demand of the state on them could not be regarded as exacting.

In Britain the war has been costing well over 60 per cent of the national income, the people living on the remaining 40 per cent or thereabouts.

If we want, as no doubt we do, to carry on the double campaign of national resistance and state construction, 30 per cent of the nation's gross receipts to be spent on these two heads must be regarded as a very light burden indeed. However, gauged by the financial conditions of the government now, that huge sum is, of course, not available for spending. On the problem of monetary circulation, it is interesting to recall that in 1912, soon after the launching of the Chinese Republic, Dr. Sun Yat-sen published an article under the title, "The Monetary Revolution," in which he advocated abolition of the *tael* and withdrawal of silver dollar coins from circulation. In their stead, he proposed the emission of paper banknotes as the exclusive legal-tender currency. This paper currency was to be issued by the state bank, put into circulation by the government of the Republic for the payment of all services rendered to the state and for government purchases of all goods and produce from the peo-

ple. In this way, the banknotes would constitute evidence of indebtedness by the government to the people. In their turn, the people were to use them for payment of all taxes, duties, fees, and charges which they must render to the government. These notes, after having been collected by the government as taxes, etc., were to be withdrawn from further circulation and forthwith destroyed. The process would then be repeated when new notes were to be issued for use.

When this proposal was made public some thirty years ago, its author was ridiculed by all the gentry and intellectual class as a practical joker. Theoretically, they argued, it was very well; but the good old people of China, the *lao-pai-shing*, were too much habituated to the use of hard silver money, and therefore they could have no confidence in the proposed fiat money printed on paper. Such people had forgotten their own national history, that China had invented paper currency which was first introduced and circulated a thousand years ago in the time of the Sung Dynasty. Nor could they have imagined that twenty-three years later, in 1935, when economic conditions the world over were badly upset and the enemy, taking advantage of the situation, started to lay hands on our silver dollars * in order to stir up financial troubles for us as well as to fatten himself with illicit profits, our government would in self-defense proclaim and successfully carry out its currency policy by the issue of *fapi* legal tender. All silver and gold, coins and bullion, were nationalized and withdrawn from circulation.

Thus what was thought impracticable came to be quite natural. For during these last several years we have been using this very paper money to develop and mobilize our economic resources, to concentrate our human and material power on the prosecution of this terrible war. Had we not adopted this paper legal-tender currency, we would have been unable to carry on our great struggle against the enemy. Today all the more we should maintain the effectiveness of this paper legal-tender policy. However, according to the principle of People's Livelihood, this policy is only a means to an end; it is not by itself sufficient.

* The economic branch of the Japanese secret service sent hundreds of trained ruffians, armed with daggers, iron rods, and pistols, to smuggle out thousands of cases of Chinese silver dollar coins.

From this we are led to think of the problem of food. Dr. Sun Yat-sen advocated the public distribution and sale of food on the basis of meeting the four prime demands of life, which are food, clothing, lodging, and movement, as expounded in his *Min-Seng-Chu-I*. Since there is public management of public utilities, such as railway transport, telegraph and telephone services, electric lighting, and city water supply against private monopoly, there is no reason why the same evil should not be prevented in the case of food. By public management and control of this principal means of livelihood, private extortion from the public by a few individuals for their profit can be eliminated in one masterly stroke. This policy can, I am convinced, solve our present problems caused by a regime of rising prices and scarcity of goods. At the same time, it will also help to alleviate the financial stringency facing the government. I have mentioned before that state expenses are ever multiplying, and funds must be found to meet them. The unrestrained issue of paper currency by the government banks is surely not the best method to grapple with the situation.

Now, let us take the food problem under consideration and let us see whether the public distribution and sale of rice, our staple food in this part of the country, can solve for us the problem of food and commodity prices, reduce the volume of currency in circulation, and find a solution for the financial worries of the state. The triple problem posed here can, I think, to some extent be met successfully for the following reasons:

1. If rice is distributed and sold by the state, its price can easily be cheapened. If the price of publicly distributed rice is reduced, none but fools will choose to supply themselves with privately sold rice at a much higher cost. If the cheapening could be as much, say, as a half of the current market price, who will want to pay needlessly the inflated price for the benefit of the profiteers? The lowering of the staple food price must react favorably on the general price index by bringing down prices all along the line.

2. It is possible, I think, to employ the measure to contract the volume of currency in circulation. These banknotes are

daily flooding the market as the government authorities pay them out to finance the war. Not more than 10 per cent of the emitted paper will flow back to the treasury. The influx could, however, be increased considerably by the government's selling of state rice to the extent, say of 100,000,000 *piculs*, which amount, let us assume, is available for state trading.

3. This policy, if effectively carried out, will not merely strengthen our present financial position, but may prove to be a source of state revenue for the future, which could be turned to good account in our postwar construction. If a proper scheme is contrived by the government to buy up the available supply of rice, the state can, under efficient and honest management, and provided that no injury be done to the people, earn a handsome profit with which to carry on the war. Our customs-duty receipts and salt tax, compared with prospective rice profits, are really insignificant.

Therefore, of the state monopoly of rice, its first function is to reduce the price of rice and with it the general cost of living; its second, to recall currency notes overissued in the past, which will also exert a salutary influence on commodity prices; and its third, to provide a new source of revenue for our wartime exchequer.

6.

After much deliberation, I have thought out a way for putting the policy into practice. We can take Szechuan to begin with. The tillers of land in this province are mostly tenant farmers; rents are as a rule paid in kind, from 60 to 70 per cent of their rice harvest, to landlords. How, now, are we going to round up this mountain of rice into the hands of the state? We do not propose confiscation, though, to take a revolutionary step in an emergency, this could well be done. The government can buy the rice for the state peacefully. An order may be circulated to the tenant farmers that their harvest rent should not be directly delivered to their landlords, but be taken to the offices of the national grain-collection center. When the landlords ask for their rent grain, the only thing needed for the tenant farmers to do is to hand over the receipts given them by the rice-collection offices, the rest to be taken care of by the government. A landlord, whose

grain rent is, say, 100 *piculs* of unhusked rice, will be paid, when he claims his due from the government, the full market price, half in cash and the other half in State Construction Savings Certificates. This is no confiscation, and yet the staple food of the nation is easily taken into public granaries.

It is known that this province has still 100,000,000 *piculs* of unhusked rice in private storage.* The state should buy them up in ten transactions. For the first 10,000,000 the government will pay the full market price of \$120 a *picul*, half in currency notes and the other half in Savings Certificates. While putting this grain on the market for public sale soon after, the government will charge only \$100 a *picul*. Consumers buying it with full cash, the state can get a cash profit of \$40 a *picul*. In the second month, a second transaction of 10,000,000 *piculs* is to be made with the grain owners. As the market price is now depressed to \$100 a *picul*, the government's cash and bond payments will be each \$50 a *picul*. When this grain is sold, the official price can be fixed at \$80 a *picul*, the government reaping a cash profit of \$30 for the state. The cutting down of the price will go on as the process of buying and selling is repeated, till a reasonable level is reached, when an even balance will be maintained between the buying cost and the selling price. Thus prices, that of rice first of all, will go down, and circulation of paper money on the market will be contracted in volume and slowed down in velocity.

As regards tenant farmers and owner cultivators, their excess grain should also be bought up by the state. Private selling to private parties should be prohibited; violations be treated as illegal. In buying grain from the owner cultivators, 80 or 90 per cent of the cost should be paid in cash and the rest in bonds to encourage production. To get the surplus produce of the tenant farmers, something even more than the market price, and all in cash, could be paid them to stimulate rice planting. In such wise, the superfluous earnings of landlords and landowning farmers could be channelized and into the hands of the state.

This is a way to mobilize the excess wealth and purchasing power of the land and landowners, and compel them to do their share of duty by enforced savings. Thus, by pooling in-

* These figures are as of November 1940.

dividual savings, the state will derive a source of hitherto unused wealth for public expenditure. As things are going on now, the landlords, with too much money they cannot properly spend, will continue to acquire land and hoard rice, so as to grow richer and richer without a thought of contributing their share to the war effort. It seems to me nothing is more rational than what I have set forth here for dealing with our present difficulties as well as in planning for reconstruction after victory.

7.

People may object that this might be good theory, but questionable practice. Take Szechuan again, for instance, they would say: all the big landlords here are ex-warlords in past civil wars, some of whom are still quite powerful, though subject to the government now. What they took from the people when they ruled the country had been all invested in landed properties; and the millionaire-profiters of this war have also acquired large estates. The government could not mobilize their surplus wealth without meeting with serious resistance. Such fear is apparently reasonable. But we want to ask, how does the strength of these strong men, landlords and capitalists, compare with that of the enemy, who has mobilized 3,000,000 men to crush us, and fought us for years with no conquest yet in sight?

Another objection is, this method of buying and selling grain is fraught with troubles, so that not only the landlords, but also the farmers, would object to it. My answer is best put in a question: In enforcing conscription for the Army, the government has encountered innumerable difficulties; is it conceivably more difficult to conscript wealth than to conscript men for the war?

There is a third objection: for grain collection the government will have to employ a host of public servants, and in the end corruption will inevitably be rampant. This is no argument either. The enforcement of conscription has also disclosed numerous abuses, yet we cannot abandon the system because of them, as one cannot "forswear eating for fear of being choked." The present system of military conscription may not work out as well as could be wished, but we can improve it. The same is true of grain collection. As to the vast

increase of public servants, the grain collectors, that is no reason to stop us. The question is: do they or do they not perform a useful service to the nation? Since this war of resistance began, 5,000,000 men have been mobilized for military service. In order to provide the means for carrying the war to a victorious end, it is not too burdensome for the nation to mobilize one-tenth to one-fifth of a million public servants to enforce the grain-collection program.

If the policy advocated is successfully adopted, equalization of land ownership as prescribed in *Min-Seng-Chu-I* will not be so far away. For the landlords, seeing that the acquisition of landed estates could yield them no exorbitant profits, will then cease to buy up more and more land. When the times are opportune, the state can issue land bonds to buy back all privately owned land for redistribution to the peasants who till the soil.

Compulsory saving is applicable, not only to owners of farm lands, but to holders of urban sites as well. The way to do it is the same. By order of the government, house tenants are to pay their rents to the city government against receipts; when the house-owners ask for rents, the tenants simply hand over these receipts to them; armed with these, the owners go to the municipal treasury offices to claim their money. Suppose a house-owner has \$1,000 to collect there: on presenting the receipt, he will be paid \$500 in cash and the rest in Savings Certificates. To enforce savings thus is not too difficult a process.

8.

When Dr. Sun Yat-sen first propounded his ideas about equalization of land ownership and public sale of food, people were incredulous as to their feasibility. If the same reasons for skepticism are used to argue against my stand for these two policies, I will cite a foreign example to prove my point, for there is the concrete example of Soviet Russia to dispel doubt and refute our opponents.

From the outbreak of the Revolution in 1917 to the eve of her first Five-Year Plan in 1927, Soviet Russia was still an agricultural country. Beginning from 1928, when the First Five-Year Plan was initiated, the annual total investments of the state ran into tens of billions of rubles. The enormous

capital invested for giant undertakings was entirely amassed out of land-produced wealth scraped together from the peasant-farmers, who, shortening coats and tightening belts, saved in bits and drops by the sweat of their brow. So, whereas in 1913 Russia's production was 40 per cent industrial and 60 agricultural, in 1936, before the termination of the second Five-Year Plan, the ratio had been reversed to something like 80 per cent industrial and only 20 per cent agricultural.

During the first European war, Russia's casualties were over 10,000,000, and close on the heels of that came the internal struggle and the intervention of the powers, with the result that not a single mine or factory was not ruined to its very base. In 1921, when the revolutionary campaign was wound up, the newborn state began to salvage whatever could be reclaimed from the heaps of wreckage; by 1927, the restoration work was done. Commencing from the next year, the First Five-Year Plan went on full blast, costing the nation in all hundreds of billions of rubles, more than a hundred times my tentative estimate of our postwar budget.

Where did the Soviets get the means to finance such gigantic plans? To put it in a nutshell, from the nationalization of land. The government distributed land among the peasants, with a heavy levy of 60 to 70 per cent on their produce; after collection, the grain tax was exported in exchange for machinery from abroad. While the plan was going on, the Soviet people were still at grips with poverty, shivering in the cold and crowding in squalid houses during the long Russian winter and half-hungry all the year round. The British and American press concluded then that the Revolution was a flat failure, since in Czarist days life had been somewhat easier. But the Soviet people did not lose heart; they were instead full of fervor and confidence, putting up with momentary sufferings as matters of course. With the whole nation battling against hardships and tribulations innumerable, the First Five-Year Plan was accomplished before schedule time.

The Second Five-Year Plan was carried on in easier circumstances. I have visited Soviet Russia twice; the impressions I got from the two occasions in 1938 and 1939, especially the sharp contrast in material improvement, were most favorable. The first time I went there, the people, all workers

and peasants, were still rather poor, but imbued with a new faith and actuated by a grim determination; their life was hard, though everyone had work to do and something to eat; women's dresses were uniformly shabby and slovenly. In my second visit, just a year later, the atmosphere was quite different: people had become much more cheerful, their living generally improved, and women considerably better dressed. The people were the same people, but because of the outstanding achievement, their means of enjoying life had gone through almost a magical change for the better.

The moral to be drawn from the Soviet example is that what they have done could also be done by us. Only they did the thing with a heavy hand, while we can do it more peacefully and less violently.

Before the current war, the government budget of this country never exceeded \$1,200,000,000. Our Generalissimo once said that if we went on like that, state construction must become an impossibility. I agreed with him. Though our new budget is many times larger, yet because of the sharp rise of prices, the sum is still equivalent to our prewar budget. We must have our own industries, first heavy and then light; and we must have education, common as well as technical, to build up a modern state. The burden for state construction must be borne by all of us. Therefore, mobilization of wealth for solving our pressing difficulties and paving a way to future ease is a step the country sooner or later must be ready to take.

FUNDAMENTAL PROBLEMS OF CHINA'S ECONOMIC DEVELOPMENT *

1.

OF CHINA'S ECONOMIC DEVELOPMENT, there are in general six fundamental problems demanding our attention and study. The first is that of our object—what do we aim at achieving by economic development? The second is that of time—when is the opportune moment to pursue the task and how much time is needed to accomplish the work? The third is that of the nature of an economic development. The fourth is that of our financial resources. The fifth is whether the work should be done by the state or by private enterprise. The last is that of how the work should be planned and executed.

There is practical consensus of opinion about the object of our economic construction, especially after the painful experience in these past few years. We want to be both rich and strong above all other things, because, weighted down by poverty, China has been unable for the past century to assume a world position to which she is rightfully entitled. Our economic development must aim, therefore, at removing the causes of this poverty. We have had no industries worthy of the name. For thousands of years the nation has been vegetating in an agricultural economy which cannot support the country and the people at a standard of living requisite for their existence in a modern state. When victory and peace come, we have to speed up the process of industrialization so as to assure ourselves as a nation of security from foreign attack and as individuals of a general abundance of food and clothing. If we fail in that, the nation is doomed to perish. All are agreed on this point.

2.

The problem of time calls for deep thought. From 1911 to 1927, at which latter date the government was reorganized at Nanking, there was no sustained effort at planned construc-

* From a lecture delivered at the Section for Party and Political Training of the Central Training Institute, Chungking, September 8, 1942.

tion. During those sixteen years, petty warlords ran amok, ravaging the land and plundering the people. The year 1925 found the revolutionary government busy uprooting the provincial militarists. In 1927 the country was unified. From then on, several years were spent in suppressing rebellion and consolidating unification. So actually, before the current war broke out there were only five years when the government had the chance to do any work in building up a modern state. Before July 7, 1937, the government had to make hasty preparations for the impending emergency. Since then, although reconstructive activities have been carried on side by side with the war of resistance, constructive effort has been strictly limited in its nature and scope primarily as a war measure for meeting the most pressing needs. Work of great importance but not indispensable to the war was ruled out. Thus any full-scale economic development can begin only after victory, when world order will be restored with the resumption of peace. But how long we shall have a peaceful world in which to push on with our plans for economic development is a question that merits our serious consideration.

There are thinkers and economists who often neglect this vital point about opportunity and availability of time in their discussions of postwar reconstruction. They think when peace comes, it is bound to be a durable peace lasting a century or more; and so we can do our job in unhurried ease, not having to rush on as we do now. This is really a mistaken view. The ancients had a saying: "Think of dangers while in safety; take precautions by being ready." No one can foresee now what the world will be like when the common enemy is beaten and the war ended. We hope for the best, of course, wishing that peace will be permanent. But hopes and wishes are not realities. For the good of the nation, it is safer to be on guard lest peace should not be of long duration. No one can guarantee that five or ten years after the end of this war, another war will not break out again. It is highly probable that the enemy may seek his revenge. It would do us all good and no harm to suppose that the period of our peacetime reconstruction will be quite short. With such an idea in mind, we can take time by the forelock.

Here I must digress from my subject to condemn the vicious habit, current in our society, of wasting valuable time

for nothing. Most of us are easy-going, happy-go-lucky good-for-nothings, bent on ephemeral pleasures and silly amusements for no real purpose, as if there were perpetual peace in the world. What takes people of other countries one year to accomplish, we are usually unable to do in five years. In private life, the shameful habit of unpunctuality is common to all strata of society. Our party leader Chiang tried, among other things, to eradicate this habit by starting the New Life Movement; but after some years there is still little improvement. Even among civil servants and party workers, there are large numbers who choose to fritter away their time in *mah-jong*, domino, and poker games. This is downright criminal in wartime. We have so much to do and so little time; how could we afford to kill time in such a stupid manner? The British empire-builder, Cecil Rhodes, once exclaimed, "There is so much to do and so little done!" The British people are noted as hard workers, yet he urged them on with these words. Compared to them, our country is far poorer and our ability much inferior; why do we waste our spare moments in idleness, instead of putting them to good use! Men of higher positions are often the worst offenders in this respect; those drones of the nation should be rigorously punished!

Since the opportunity for our national reconstruction is so fleeting and our bad habit of wasting time so deep-rooted, it behooves the youthful elements of the party to be all the more alive to the situation and make redoubled efforts. The only chance for rejuvenating the race, which may come once in a thousand years, should not be missed for one moment. Every minute in those vital five or ten postwar years is precious beyond estimation. Within that period our economic development must be well on the way to completion. In case the world situation should suddenly change for the worse and our country be threatened by another invasion, we would be able to get along without depending wholly on outside assistance.

Our friends, now our allies, have rendered us both moral support and material aid, for which we are of course grateful. But our ability to hold our ground during these hard critical years is 95 per cent due to our own efforts. Since the outbreak of the Pacific War, foreign help has been extremely limited. American aircraft sent to help us are surprisingly few. The

American Air Force in China is also small. After the war we must be self-sufficient in all weapons for our national defense, in aircraft, guns, and tanks, if we are to enjoy national security.

It should not be thought that five or ten years is too short a period. In fact, the shorter the time limit we set ourselves for the task ahead, the better it will be for its accomplishment. If we give ourselves only five years, we will be forced by the period set to strive harder; and consequently, an adequate amount of work will be done in the end. If we imagine peace will last fifty years after the war, and thus all will want to return to Shanghai to have a good time seeing the latest films and going to dances, nothing much will have been done by the end of half a century.

Can we have our basic economic construction fairly done in five or ten years? I believe we can. The example of Germany is highly instructive. After the Versailles Treaty she lost virtually everything. Political upheaval and economic crisis made it almost impossible for the Reich to survive. But in seven years from 1933 to 1939, she became much stronger than she had been formerly. She has now fought for several years, and still it takes the combined strength of Soviet Russia and Britain barely to withstand her. Her industrial basis being left intact after 1918 has immensely helped her recovery; and we can in this way compare our economic situation with hers. Although her inordinate ambition at world conquest is sheer madness and to be abhorred by us, still her magnificent mastery of time and supreme efficiency in doing things, together with her people's fanatic devotion to the country, cannot but command our admiration and attention.

Another instructive example is afforded us by Soviet Russia. In November 1917 came the great Revolution which gave birth to the Soviet Regime. In March 1918 the new state was compelled to sign a peace treaty dictated by Germany. Foreign intervention followed in the wake; and, finally, a great famine swept over the land. But beginning from 1928 a new powerful and rich state has reared its mighty stature across two continents. If the Soviet people had not wrestled with time in their factories and mines and on the farms with titanic efforts, the country could not have withstood the present German assault, nor remained free. If others have done

it, why cannot we do the same? In short, it is to be insisted that not only the young, but the elderly generations as well, should live to see a new vigorous China rising in all her glory amid ashes of this war and ruins of the past.

3.

As regards the nature of our economic construction, views diverge as to whether we should have light industries or heavy ones first. There are people who think light industries are easier to start with, while the heavy require too much capital and technically trained specialists. Again, it is argued that light industries are quickly productive of wealth, while heavy industry yields no immediate profit. These people point at industrially advanced nations, such as England, America, and even Japan, saying that all of them built heavy industries when enough wealth had been accumulated for capital after the full growth of their light industry. England started with spinning and weaving woolen and cotton textiles, America with producing goods for domestic consumption, and Japan with textiles and paper-manufacturing. Ergo, China should also, they aver, start in the same way.

The big mistake in this line of reasoning is that it overlooks the elements of time and opportunity. English industries have had a history of a century and three-quarters; American also had a century; and Japan at least seventy years. If we could also have the next century secure from foreign attack, such a slow development might not be fraught with dangers. But if we have only five to ten years' respite, to go on in that snail's pace would be sure suicide. Beside, even if peace could be assured to us for the next century, modern industrial technique waits for none, and we either have to catch up or lag behind, following leisurely with out-of-date methods and technique. In that event, we would always be vulnerable to superior forces.

As time is vital and the opportunity propitious, we must industrialize our country in the shortest possible time. All industries are interlocked. Agriculture and industry are also interwoven; the basis of all industry is heavy machine production, so the heavy industries must be first established. The very machines for light industries are in fact produced in the heavy ones, without which economic construction is but

an illusion. Now, if we cannot produce those machines by ourselves, we shall have to import them all from abroad. Our industrial development will turn out to be dependent upon the heavy industry of other countries.

In building up heavy industries, we should profit by bitter experiences of the past. As I have said, the National Government at Nanking had five years to carry on its work of economic development under the menace of invasion. But not even a single large-scale iron smelting plant was set up. The Ministry of Industry and the National Resources Commission each intended to build such a plant. The Ministry soon abandoned its project to leave this field of work to the latter authority. After much projecting, studying, discussing, and designing by the Commission, five years were gone, with nothing done except a plan on paper and a chosen site leveled off for buildings. Since the war, transportation has been in a bad way, so our iron and steel, the very sinews of the war, are lacking. It is common knowledge that the late Manchu Empire commenced to build its navy, smelting works, shipyards, and merchant marine at the same time as Japan; but because time was wasted, practically nothing was accomplished. Taking the lesson dearly to heart, we must confine ourselves within a shorter time limit and strive for more definite results.

Railway transport and communications must go hand in hand with heavy industries since development of the former will quicken the growth of the latter. Resources in remote parts of the country, such as the province of Sikong and the vast regions on the north and south sides of the Tien-shan, cannot be exploited without railways. Dr. Sun Yat-sen's *Industrial Development of China* lays down a scheme for building 100,000 miles of railways. This is too gigantic a task for us to accomplish all in ten years, but at least a half of the plan ought to be realized within that period. In the past sixty years we have built only 10,000 miles! Even India today has over 40,000 miles; while America has around 250,000 miles; and most European countries, if we take their populations and territories into consideration, have also many times our mileage of railways.

What I have said about economic development is concerned merely with state enterprise. While the government

authorities occupy themselves with heavy industry, the people as private interests can go on with light industries.

4.

Next it may be asked: where are the colossal funds necessary for the tremendous development to come from? Among well-informed economists, it is generally conceded that the required capital can come from two main sources. The domestic source is to be derived by the government through increase of taxes and national bond issues. The other source is foreign capital loans and homeward remittances from our overseas compatriots.

It is relevant to our purpose to evaluate the relative importance and availability of these two sources for our capital funds. It would, of course, be an ideal thing were it possible to draw on both the domestic and foreign sources at the same time. But suppose this cannot be done. Suppose it happens that both foreign loans and overseas remittances are not coming through according to expectation. Immediately after the war, China will have to start off as a much poorer country than before. Where, then, can the government find the necessary wherewithal to carry out the plans for industrialization? We must seek an answer to this question before our problem can find a solution.

There are people who believe foreign loans will be freely and abundantly available to us after the war. Such optimism is entirely unfounded. It must be borne in mind that post-war reconstruction will occupy the attention of all the European countries devastated and occupied by Germany as well as of defeated Germany herself, to whom some of the victor nations will have to give help. Not only Germany and Italy, but Britain, too, whose ports and cities, factories and residences, and lines of communications have been badly ruined, will need money for rehabilitation. The damage sustained by Soviet Russia during this war is much worse than that which was experienced during the Revolutionary War; so Soviet Russia, too, will be in sore need of reconstruction. The United States of America will probably escape the ravages of war; but her industries, mobilized at present for war production, will have to be reconverted to civilian production as soon as fighting is ended. Thus an enormous mass of

war-production machinery will be dismantled and replaced by equipment to produce peacetime commodities. The switch-over will cost a vast sum of money. Yet the only country capable of giving loans in the postwar world will be America, to whom all others will turn for help. Under such circumstances, we cannot expect too much from her.

Judging from present Lend-Lease practice, we can form a good idea of the situation. A number of countries are receiving Lend-Lease aid from America now; we have so far received less than 1 per cent of the total. When the war is over, countries subjugated by Hitler, in addition to Britain and maybe Soviet Russia, will all compete for American assistance. Without straining our imagination, we can easily see that American loans to us probably will not be available in very large amounts, at least not commensurate with our potential needs.

Another possible difficulty in utilizing foreign capital is the difference between our own economic policy and that of the other countries toward us. This may prove to be a formidable obstacle to getting American loans. In the past, enterprises run with capital raised from foreign loans, such as the railways, were uniformly controlled by foreign business interests. That amounts to inviting imperialistic infringement upon our sovereignty in the form of economic dictation by alien capitalism, reducing the country to an economic colony of the powers and draining the resources of the land to fatten alien exploiters. Foreign commercial firms in China were formerly all registered only in their own respective countries, beyond the pale of Chinese laws. Furthermore, there were extra-territorial rights, leased settlements, gunboats, foreign garrisons, etc., to protect their investment if necessary by force. That is the reason why foreign capitalists were anxious to do business in China, operating electric light and power plants, building municipal gas and water works, running buses and tramcars, manufacturing cotton fabrics and cigarettes. If we were to extend the same special privileges to foreign business interests after the war, to get loans from them might not be a difficult matter. But we do not choose hereafter to be servile vassals of foreign banker lords. As we are going to carry out economic policies in conformity with *Min-Seng-Chu-I*, foreign capitalists may feel that under

the circumstances profits are not attractive enough to induce their investments. Thus the prospect of foreign capital investment in China is not bright.

As foreign loans will in all likelihood be niggardly and homeward remittances of overseas Chinese negligible in proportion to the requirement, we shall have to depend upon domestic sources. We are still an agricultural nation. Any considerable wealth readily accessible to us immediately after the war can only come from the land. The one recourse is none other than for the government to husband this wealth and devote it to national reconstruction.

An initial step has already been taken in that direction through the government's food policy, which has now introduced the measures for collecting the land tax in kind and enforced buying of grain by the state. This revenue collected from the land is now contributing to the state's war expenditure. When the war is over, the proceeds from such collections will form a part of the state's capital funds for economic construction. At present, grain collection has not yet reached its saturation point; the system employed in levying and buying needs to be much improved. The share contributed by most of the landowning class is still too light, while self-cultivators and tenant farmers are bearing too heavy a burden. Land-owners as a whole have reaped large fortunes these few years; those who collect their rent in kind and receive grain amounting to several hundred *piculs* a year are living lavishly. Big landlords are proportionally much better off than in prewar days. Such conditions are diametrically opposed to *Min-Seng-Chu-I*. We must be determined to eradicate such an irrational situation and introduce the needed agrarian reforms.

There is an age-old saying that all lands under heaven are the king's, meaning the state's. We are going to make the statement not merely a hollow saying, but a true description of actual conditions. Individuals may enjoy usufructs over lands granted them by the state—that is, the rights of use and improvement, such as cultivating them and building factories and houses on them; but nobody should be allowed to deal with them in business transactions, least of all to speculate in them and get easy, quick, huge profits. At present, big

landlords are acquiring real estate with their unused and unusable wealth from small landowners, mostly self-cultivators, so that the wealth produced on the lands becomes harmful rather than beneficial to the nation. If they invested their money in industries, it would be quite different. But instead of doing so, they buy more and more farm lands. Land values are thus bolstered up ten, twenty, fifty times; but the agricultural products gathered therefrom cannot be increased in any such proportion. Hence, nine-tenths of the money sunk in such investments are lying idle from the nation's point of view; and, what is worse, the cost of rice, and with it the general cost of living, are artificially raised to incredible heights in order to pay proper interest on their uneconomic investments.

This vicious process can only be stopped by prohibiting the private buying and selling of land and carrying out an economic policy under the guidance of *Min-Seng-Chu-I*. When self-cultivators want lands, the state can rent these to them on long lease. By proper regulation and control, the evils of large concentrations of farm land in private ownership will be eliminated; while, with the immense profits accruing from public ownership of these very lands, the state can have the means to do immense good.

In prosecuting her First Five-Year Plan, Soviet Russia adopted exactly this method. Some fifty or one hundred or more self-cultivators were organized into a collective farm, and the government levied a certain percentage of the produce as tax-rent. Thus, what the landlords had been getting before the Revolution, was all concentrated into the hands of the Soviet Government. The capital for the First Five-Year Plan was almost entirely raised in this way. Of course, during the first two Five-Year plans, the Russian people suffered severely. Farm and other natural products such as wheat, butter, lumber, oil, etc., had to be exported in exchange for machinery. We have numerous products which can be exported: to name a few, there are tea, *tung* oil, cotton, soybeans, raw silk, hides, wool, tungsten, antimony, tin, and mercury.

Our future industries are broadly divisible into those run by the state and those run by private interests. By closer division, there are four classes: those both owned and run by the state, those owned by the state but run by private interests, those owned by private citizens but run by the state, and those both owned and run by private parties.

The first class and the last are self-evident. The second include those industries which the people are incapable of establishing by themselves for the time being; the state sets them up and then leases them for operation to private parties. The cement, cotton-spinning, and sugar factories of the province of Kwangtung before the war are good instances of this class: the machinery as well as the factory premises all belonged to the provincial government. The third class of industries are those whose capital is raised by private subscription, but for lack of experience in management on the part of the promoters, the state takes over the operation for them. Besides, certain industries may be run by the state and private interests in co-operation, certain others owned and operated by some social groups and organizations, still others by the local public bodies.

What I have just said is in accordance with *Min-Seng-Chu-I*. For with the exception of communications and large enterprises connected with national defense, the people are welcome to engage themselves in all other industries. In the past, the government wanted to do everything all at once; but since it was impossible to carry out all such projects, nothing much was done at all. Hereafter, the state and citizens should severally and jointly participate in the country's economic development. However, industries privately run must be regulated and controlled by the laws of the land and the policies of the government; privately gained profits should be used for further investments for the benefit of the nation. Since the nineteenth century the shortcomings of rampant capitalism have been glaringly conspicuous in free competition: all industries being owned and operated by private interests, with the government blind and deaf to the many abuses and evils. Capitalism has been the foundation of Britain's and America's social structure. But during this war, the govern-

ments of these two countries are exercising increasing control. It is our belief that after this war, measures of state control and state planning for larger ends will tend to be more thorough, gradually culminating in some form of state capitalism or socialism.

Soviet Russia has uprooted the institution of private production for profit. People are forbidden to make use of their money for personal gain. Those having a million rubles can only deposit their wealth in the state banks; they cannot build factories or open hotels. Under such an economic policy, industries vital to national defense have done very well indeed, but those indispensable to the people's daily life are still very backward. It goes without saying that such an all-inclusive state monopoly is quite unsuitable to this country. With proper regulation and control of the government, the system of private ownership or operation, or both, can be easily prevented from producing the ills inherent in unregulated free competition.

In the sphere of controlled economy, the most advanced country is Nazi Germany. When Hitler came into power, he did not confiscate the existing private industries, but put all the large enterprises under his iron control. The quantity of production, prices, wages of workers, profits, and their utilization for further investment are all dealt with by governmental rulings. In name, industries are still privately owned and managed; in practice, there is near state ownership and rigid government control. In wartime Britain and America, state planning and direction of private production is also being extensively practiced. In the postwar world, the economy of advanced nations will not, as far as I can see, return to unrestricted and unplanned free competition as in the past.

6.

With respect to technical problems of our economic construction, they are concerned with planning, execution, administration, inspection, and personnel questions. As for the first, a detailed plan should be made ready for devoting the first five postwar years to industries of national defense. The backbone of such industries is certainly the production of iron and steel. Our current output in this respect is less than the daily or weekly output of the great powers. If we

cannot increase our output by many times after the war, there can be no industrial reconstruction to speak of. Five years after the war is ended, at least 2,000,000 tons a year should be produced; another five years later, it should reach 5,000,000 to 6,000,000 tons.

Next, oil production. Following a prospecting survey by a foreign oil company some twenty-five years ago, it was generally assumed that we have no oilfields. But facts turn out to be otherwise. Oilfields have been discovered in at least three provinces. The deposit at Yu-men is found to be very rich. In our Sinkiang Province, abundant oil is believed to exist. Oil is indispensable to industry and defense. Germany's ultimate failure will probably be due to her exhaustion of this lifeblood in her war effort. In our postwar plan, exploitation of oil resources will be an important undertaking calling for expert technical handling.

Our coal resources are also abundant, though production is now less than 10,000,000 tons a year. How to increase the output and how much it should be increased each year are all to be specifically laid down in a plan. Our Economics and Communications ministries have both started planning, each within its own sphere; but their plans are not well co-ordinated. For the immediate carrying out of economic reconstruction after fighting is over, a comprehensive plan with its details carefully worked out and in close connection with one another is urgently required.

Last but not the least is personnel—the training of engineers, technicians, managers. Our lack of specialists is a handicap which must be overcome before we can proceed. We cannot do with those we have now, for they are too few in number. We should take good advantage of America's Lend-Lease arrangement to invite her specialists to come and train our men. When Soviet Russia started her First Five-Year Plan, she hired some 20,000 to 30,000 German and 5,000 to 6,000 American specialists to do the work as well as to train her own skilled labor. Our Ministry of Economics is planning to send for American specialists, but the number decided on is too small. More should be invited to come, as many as we can get and as America can spare; their salaries could be paid out of our American loan.

In conclusion, no more time to waste, no more opportunity

to lose. We may hope for the best after this war, but must be speedily prepared for the worst. Peace might last for five to ten years only. Therefore, a minute and comprehensive plan must be all ready at hand in order to avoid further delay when victory is won.

PART FOUR

To Victory

12

THE PACIFIC WAR AND CHINA *

ON THE MORNING of December 8, 1941, I had been requested to speak before the weekly Sun Yat-sen Memorial Service in Chungking. We had just received the news of Japan's declaration of war on America. Below is the analysis of that news just as I gave it then:

At one o'clock this morning, Japanese bombers raided Pearl Harbor—American naval base in Hawaii—Manila and Hong Kong in succession. Simultaneously, Japanese troops landed at Thailand for the attack on Singapore. After actual hostilities had already begun, the enemy declared war on Britain and America at 5 o'clock in the morning of the eighth. Japan's desperate gamble against fate, staking her whole destiny with one throw of the dice by embarking on a new aggression, has now become a fact. We should make a careful survey and acquire a clear understanding of this new international situation.

The American-Japanese talks were initiated in the spring of this year. Some months ago, there were in this country not a few people who feared that America might be unable steadfastly to maintain her traditional policy toward the aggressors, and that there might be a likelihood of her compromising with Japan. Especially since the visit to America of Kurusu, who was to assist Nomura in the American-Japanese talks, the general public was worried that Japan might with-

* Speech delivered at the Weekly Sun Yat-sen Memorial Service of the National Government, Chungking, December 8, 1941.

draw for the time being her troops from China in exchange for a relaxation of American pressure, in order to preserve her Navy, which has not sustained any serious losses in the four years of aggression against China. This apprehension is quite reasonable, because the enemy's Navy is relatively intact in comparison with his land and air forces, over half of which have been destroyed during these years by our armed resistance. However, even if the enemy should withdraw his troops from this country, we would at most have a quasi-victory instead of a total one. With his Navy afloat and powerful, the enemy can blockade our seacoast and invade our territory again at any time he sees fit. We are still exposed to the serious threat of re-invasion.

In our bid to secure foreign aid, our foremost task is to win to our side Britain and America, particularly the participation of the U.S. Navy, which can be effectively used to annihilate Japanese sea power. Only with the ruin of the Japanese Navy can we win the real victory and the chance to reconstruct our country in the next twenty to thirty years. This is not in the interests of China alone, but also of Britain and America. Without the heroic armed resistance of China, carried on for so long, Japanese land and air forces would have been much more powerful than they are. As a matter of fact, the enemy's land and air forces have been much wasted and weakened by China. His Navy, the only weapon left intact, cannot, of course, stand up against the joint attack by Britain and America. Now Japan has gone mad and thrown away all she has in hand in one desperate move against Britain and America. This indeed means the beginning of the end for the Japanese aggressor. The apprehension we felt a month ago is now over. Today America, Britain, China, and Soviet Russia have in fact united to strike back at the aggressors with their mighty armed forces.

What new exertions should we make in view of this favorable international situation? We cannot just sit down and admire others carrying on the fight for us. We must consider how to intensify our war effort. In my conversation with friends in Hong Kong recently, some advocated our declaration of war on Germany and Italy in order to bring about a united world anti-aggression front. They deplored the fact that the world's anti-aggression struggles were not yet amal-

gamated into a global war, with Britain and Soviet Russia fighting against Germany and Italy in Europe, and China alone resisting Japan in the Far East. If the anti-aggression wars are not coalesced into an integral war, China, they fear, cannot secure a seat in the future world peace conference, but will only be allowed a voice in the future Far Eastern peace settlement. Their argument is quite reasonable. But I felt that time was still not ripe for such action. We are too far away from Germany and Italy. If we declare war and cannot engage in actual combat with them, it will be only a token war. Moreover, Britain and America, for their own part, might not wish to have China's declaration of war on Germany and Italy in view of the international situation then prevailing. This was my opinion a few months ago. Now, in view of the fresh international development and particularly of Japan's declaration of war on America and Britain, I think the hour has come for our declaration of war on Germany and Italy.

Furthermore, there are three other reasons justifying this action. Firstly, Britain and America are our allies and are now being attacked by Japan, our enemy. Germany and Italy are allies of Japan. From the standpoint of the coalition against aggression, we should, therefore, declare war on Germany and Italy. Secondly, Britain declared war on Finland, Rumania, and Hungary a few days ago. Militarily, Britain's declaration of war on them created no change in the situation at the moment. However, Britain is the ally of Soviet Russia; and Finland, Rumania, and Hungary are the enemies of Soviet Russia. From the standpoint of allies, Britain has taken upon herself the responsibility to declare war. The situation existing between China and Germany and Italy is comparable to the above. In addition, there is a further reason: the Soviet-German war may possibly develop in a direction seriously unfavorable to us. The Germans may penetrate southward into Iran and Iraq through the Caucasus, and co-ordinate the Japanese move in Burma, Singapore, and possibly India. By then the conflagration of war will have spread to the Near East and India, and China will come into actual armed conflict with the German aggressor. Under these circumstances and in view of the present grave international situation, I feel that we should formally declare war on Ger-

many and Italy in addition to our close collaboration with Britain and America in the fight against Japan. We must unify the world's anti-aggression struggles into a common war under a united front. I hope we will seriously study and discuss this matter. In short, our cherished desire for years, for close co-operation between America, Britain, China and Soviet Russia in order to defeat the Far Eastern aggressor-nation, is now being realized. America, Britain, China, and Soviet Russia must collaborate closely to the end until the total defeat of the German, Italian, and Japanese aggressors is brought to pass. From now on, the world will be under the joint leadership of America, Britain, China, and Soviet Russia. This indeed deserves the redoubling of our efforts toward the common victory.

In regard to our military move in co-ordination with this new situation, it is now, of course, under the serious consideration of our Supreme Command, and there is no necessity for us to discuss it here.

What should we do internally to improve our position, in addition to our diplomatic effort? There are, I think, two points to engage our attention. Firstly, to speed up the realization of the *Min-Ch'uan-Chu-I* system of local self-government in order to lay the basis for democracy. Secondly, to build up the *Min-Seng-Chu-I* system of national economy. Why do I emphasize these two points? It is because we have already accomplished 70 to 80 per cent of the task as laid down in *Min-Chuh-Chu-I*. And we have completed three-quarters of the task of armed resistance today. Not only has the concrete basis for our ultimate victory been secured, but also the ultimate victory will be won in a short time from now. Upon her ultimate victory China will fully achieve her independence, freedom, and equality. In addition to our task of armed resistance, we must perform simultaneously the work of state construction.

The first task in state construction is to establish the *Min-Ch'uan-Chu-I* system of local self-government; in other words, to enforce the new *hsien* system, as promulgated by the National Government, with constructive efforts. Only through the establishment of local self-government can we achieve democracy. We must remember that in the first year of the Republic there were Parliament and Provincial Coun-

cils. But were the representatives really elected by the people? The so-called democracy we had then was, in fact, bureaucracy. How can we call ourselves a democracy when we know it is only a make-believe? Such self-deception will do us no good, nor will it mean anything to the people.

Min-Ch'uan-Chu-I, in which the Kuomintang has professed to believe for scores of years, is the only road to real democracy. The materialization of *Min-Ch'uan-Chu-I* means the achievement of local self-government; or, in other words, the realization of the new *hsien* system as promulgated by the National Government. This appropriate local system has not been established in the past. There was no real local self-government as the basis for popular elections. So-called voters' registers compiled by district officials were fictitious and fraudulent, therefore worthless. Democracy will but be an empty term if we fail in the establishment of local self-government, because it is only through local self-government that the spirit of real democracy can be promoted in this country. According to the stipulations of the new *hsien* system, a great number of workers must be trained to meet the need for competent personnel. The training will, of course, encounter many difficulties and cannot be accomplished at short notice. But we must not abandon our task on account of hardships. Today the important task for loyal supporters of democracy is primarily the popularization of local autonomy.

The second task at state construction is the establishment of the *Min-Seng-Chu-I* system of national economy. It is, in other words, that the benefits derived from the industrialization of the country shall be enjoyed by the whole people instead of by the few. For the attainment of this goal the government must employ every method to prevent private capital from injuring the livelihood of the masses. Secondly, it must proceed with the industrialization of the country by the speediest means. This is of utmost importance. It means the seizure of time. We must have a correct sense of time. In the past, we have always appreciated money, manpower and material power rather than the importance of time. However, money, manpower and material power can be regained after they are expended; while time will never return after it is past. The greatest defect of our people and government in

time of peace as in war is, it seems to me, the careless waste of time.

What methods should we employ to achieve *Min-Seng-Chu-I* economy? It is the simultaneous operation of state enterprises, public enterprises, and private enterprises. All of them can, in my opinion, go hand in hand without jeopardy to one another. Some enterprises can be jointly run by the state and private individuals. Those enterprises which are beyond the capacity of private interest will of course be run by the state; but those which are outside the financial power of the state at the moment can be run by private capital. In the past, there were some enterprises which were beyond the then financial power of the state, but which were not entrusted to private hands. As a result, years passed by, and nothing was done. This loss is indeed incalculable. Today we must make up our crucial determination to accomplish, for instance, in three years the programs which have been scheduled for completion in five years. If both the government and the people will keep such determination in mind, China's industrialization will even be faster than that of the Soviet Union. In this favorable international situation today, we all must redouble our efforts to materialize before schedule the reconstruction of *Min-Ch'uan-Chu-I* and of *Min-Seng-Chu-I* so as to co-ordinate our ultimate victory. Thus *San-Min-Chu-I* China will be fully built up in the shortest time possible.

13

INSURANCE OF VICTORY *

1.

ON JULY 9, 1926, our National Revolutionary Army marched northward from Canton to rid the country of its warlords and end their regime of chaos. The magnificent achievements of our armed comrades since the launching of the Northern

* From a speech delivered before the Staff College, Chungking, July 9, 1942.

Expedition have not only been hailed with gratitude and admiration by the whole nation, but have also won the esteem of the world at large. Their gallant stand against the enemy's powerful military machine since the outbreak of this war has been acclaimed the world over as something well-nigh miraculous. For justice and liberty, their life-blood has been shed. In the rear, the toiling masses; and, in the occupied zones, our helpless and hapless countrymen under the heavy yoke of the invaders are also paying their full share of suffering in sweat and tears. With the exception of a misguided few, who have forsaken their mother-country and have turned traitor for lack of faith in this war and in the future of this nation, the millions in Free and Occupied China are one in their confidence that victory will ultimately be ours.

Prior to the eighth of December 1941, we clung tenaciously to the unchanging determination that, come what might, we would fight to the bitter end. As to when that bitter end would be reached or what would constitute the ultimate victory, people had a rather hazy notion. That state of uncertainty was ended with the outbreak of the Pacific War. Since then, we are no longer fighting alone. Nations that love liberty, peace, and justice, whose aggregate populations constitute four-fifths of the world's humanity, came to stand by our side on the battleground to face this brutal foe, for us the most heartless and deadly of the three enemy powers. A new guarantee of ultimate victory was given to us. We have a firmer, more concrete grasp of the realities now.

When we were fighting alone, the situation was generally viewed in two different ways. First, if we could only recover the *status quo* before Lukouchiao, victory might be said to have been attained. Secondly, that we should restore the pre-Mukden state of affairs and bring the four northeastern provinces back to our fold before we could lay down arms. But whichever view one held, all were dubious as to whether the fruits of victory could be enjoyed for long, after it had been gained. We were afraid that four or five years after apparent victory, the enemy would attack again. To be candid, our lack of confidence in this respect was well founded. Even though the enemy might be compelled to, or voluntarily, withdraw his army, he could still at any time launch a fresh

invasion if his Navy remained intact and his war industries undamaged. Our victory would be worth nothing.

This apprehension appears all the better grounded in the light of our failure during the Revolution in 1911. At that time, when the Manchu Empire had been overthrown and the Republic nominally set up, members of *T'ung-Meng-Hui*, the predecessor of the Kuomintang, thought the Revolution was accomplished. A class of depraved politicians and literati, to weaken the determination of the Revolutionary Party, then raised the slogan that, with the rise of the Revolutionary Army, the Revolutionary Party vanished. These unscrupulous elements besieged and urged the Father of the Republic to hand over all political power to Yuan Shih-kai, arguing that Yuan's military force was well capable of unifying China; whereas the Revolutionary Army was no match for him. Consequently, Yuan soon declared himself Emperor, after killing and banishing members of the party by batches. Though he was almost immediately ejected from his throne, the seed of turmoil was planted deep by him in the soil of the land; and for fifteen years or so the country was torn by civil wars between rival warlords, each striving for political supremacy over the others. The Republic, nay, even the country, was almost ruined. The historical lesson is: that in spite of its apparent success, the Revolution was in fact a failure. The painful experience we are undergoing now warns us likewise that our ultimate victory must be real, not illusory. There must be no repetition of the same mistake.

2.

The enemy is more developed industrially than we are. Though his energy may have been considerably sapped by us, he still could recover easier than we can, since we are an agricultural economy. Take Germany, for example.

From 1914 to 1918, Germany's war dead amounted to several millions, and the numbers of her wounded and maimed were grievously large. The loss of lives and materials cannot be regarded as trifling. But her industrial equipment remained untouched; her means of production and lines of communications survived the war practically intact. For instance, the Krupp works at Essen did not suffer any damage at all. When I visited Germany in 1928, that gigantic factory

was indeed not casting guns, but fabricating farming implements and motorcars. Yet as soon as occasion demanded, in a few months it was changed back into a great arsenal. What Germany lacked after 1918 was raw materials and capital. The latter she obtained by raising foreign loans. With these funds she imported raw materials and ran her factories.

Besides her unimpaired foundation of industries, Germany also carried on camouflaged military training with redoubled zest. You perhaps all remember there was, some years ago, an old German general in Nanking by the name of Von Seeckt. It was he who took up the training of the German standing Army of 100,000 after the last war. He formulated a plan for making all the privates under him officers of a future, greater army. As the Versailles Treaty forbade the use of heavy arms, he made use of trucks and automobiles, mounted with cardboard in the form of mock tanks, for field practice in panzer warfare. In the absence of flying machines, gliders were employed to train several million grade-school and gymnasium students for pilot service in future fighting aircraft. Such motorless gliders numbered tens of thousands. Last, but not least, the German people, efficient in organization and obedient to their government's orders, were enrolled and organized into apparently civilian but actually quasi-military bands.

As Germany after the last war could preserve her production tools and equipment, and her people were well organized and trained, she was therefore able to restore her armed forces in a short period when time was ripe. So, if any other industrialized country could have its heavy industries kept in good order, even though it might be defeated and sustain heavy losses in men and materials, it could still recover its fighting power speedily.

The industrial potential of our enemy is by no means comparable to Germany's, but it is certainly superior to ours. If toward the end of this war we are left to fight him alone, no matter how hard we should try, we could neither destroy his industries nor defeat his Navy.

3.

The enemy has been persistently harping on his old theme of economic co-operation with China. If he were clever, he might have called off the puppet shows in Manchuria and

Nanking, withdrawn his army of occupation from this country, and arranged a peace with us before the outbreak of the European war or even before his Pacific venture. It would have been hard for us to resist the temptation. At the peace conference he could have simply and good-naturedly proposed economic co-operation with us, offering to buy up our cotton, iron ore, and coal if we would be good enough to let him operate our mines and run our textile industry with his capital and his engineers. As we are industrially backward, iron and coal, which we cannot consume in large quantities, would have to be sold to him as a matter of course; while he, in turn, could pay for these by selling us cheap manufactured goods. Thus, our resources would become his, and China his virtual colony. We would then have no prospect for industrialization, and even our existing small-scale industries would all be squeezed out of existence when in competition with his. If we had fallen into such a trap, we should have been done for.

Again, the enemy has also constantly reiterated that he harbors no dark designs on our territory. He wants, it is lamely said, to establish the "East Asia Co-prosperity Sphere" with our aid and drive out all Western influence. He has promised us the abrogation of extraterritorial rights and the rendition of leased settlements, provided his subjects can settle down wherever they please in our interior and enjoy all the rights given our own citizens, such as buying and selling landed properties, opening up mines, and erecting factories. These same rights would be extended to our citizens sojourning in Japan, to show that there is "mutual benefit on equal footing." Theoretically, there is nothing wrong in this; but in practice, where would our people in Japan get their capital to buy lands and put up factories? But the Japanese in China would have a firm economic foothold; they could acquire large tracts of our lands without difficulty. Thus, the "benefit" is not at all mutual, and the "footing" quite the reverse of being equal. If we had bitten such a bait, the war and all we fought for would have been irretrievably lost.

4.

The risk of carrying on the campaign of resistance single-handed and thus being forced into a treacherous peace was

fortunately ended by the eighth of December, 1941. We are now fighting together with many other nations. The Sino-Japanese War has become an integral part of the global struggle against terrorism and rapacity. What we could not accomplish alone can now be put into execution by joining our efforts with those of our allies. Previously, for instance, we could only wait for the enemy to bomb us; but now, America and Britain and, in the future, Soviet Russia, will most certainly dispatch squadrons of bombers to pound Japan proper, smashing the enemy's industrial plants into smithereens. We could do nothing with his Navy. When the Battle of Shanghai was raging, his obsolete old cruiser *Idsumo* was anchored in the Whampoo River; we sent dive bombers to blow it up, but failed to inflict serious damage. That is because our Air Force was weak, as it still is, and we have never had a Navy. But since he made his big blunder in December, 1941, his loss in ships has been mounting high and fast.

Though his main home fleet is still intact and formidable, his aerial power on the open seas is decidedly hamstrung, as two-thirds of his carriers have been eliminated. Modern naval warfare is waged simultaneously with aerial warfare. When war broke out in the Pacific, two of Britain's battleships, the *Prince of Wales* and the *Repulse*, on guard at Singapore and to checkmate the Japanese Navy in case it should attack, were sunk by enemy air action for lack of protection in the air. After Rangoon was lost, an enemy fleet steamed into the Indian Ocean, where two of Britain's cruisers were for the same reason air-torpedoed in the Bay of Bengal. The Coral Sea and Midway Battles accounted for two-thirds of his seaborne Air Force. No matter how many more dreadnoughts he may still possess, it is not likely, at least in the near future, that he would venture to send his fleet in the open seas for another offensive. We can reasonably presume that he would let it hug the shores for protection from a land-based air force, moving about, say, no more than five hundred miles from the coasts.

The sinkings and damage of his merchant shipping are ample enough to handicap his ocean transportation. His army in the occupied region is not receiving the proper amount of supplies; and the rubber, oil, minerals, and other

products of Malaya and the East Indies are not being sent back home in sufficient quantities to meet urgent demand. It may be safely predicted that the enemy will fail first on the sea.

What we have hitherto been unable to grapple with is now being taken care of by our great and powerful ally, the United States. Our duty to ourselves and the world is, however, not thereby removed, though to a large extent lightened. It remains for us, as our Generalissimo Chiang said in his manifesto to the nation on the fifth anniversary of the war, to exterminate the enemy on the continent of Asia. This we shall do thoroughly.

After the utter destruction of the enemy's Navy, thirty to fifty years would be required for him to rebuild it. His present one has had a history of over seventy years. Germany's land and air forces became matchless after a new lease of life in a few years, but her Navy has not grown to any size comparable to the great sea powers. A capital ship costs several tens of millions to build. The personnel manning it must be trained over a long period. British naval officers, for instance, begin their schooling at ten years old. Therefore, after the liquidation of the enemy's Navy, complete victory of our cause would be assured.

Besides, there is another guarantee that when the enemy is overcome, not merely China but all of the United Nations as well will have a peace with him. Although among the four great powers, Soviet Russia has not yet participated in the war on the Asiatic front, it is probable she will do so in the not-too-remote future, once Hitlerite Germany is defeated. Then, after his defeat, the enemy will have to submit to the terms of peace agreed upon by us all. When that time comes, we shall rightfully demand putting into effect the Atlantic Charter, especially the last part of it, which lays down the international assurance of peace by means of world-wide disarmament, beginning with the defeated aggressor states.

When the Charter was first published, war in the Pacific was not yet started; conceivably, that particular clause was not meant for Japan. But from our point of view the sole culprit in the Far East, whose armaments should be taken away, is Japan. We should be privileged and empowered to draw up the detail of the procedure for disarming the enemy be-

cause we have been resisting his aggression the longest and the hardest, and best know the extent of his cunning ambitions.

After the last European War, the Versailles Treaty imposed severe enough handicaps on Germany. Unfortunately, as the League of Nations was too feeble to apply international sanctions, first against Japan when Manchuria was invaded, this Second World War became inevitable. We must take that lesson to heart this time. The criminal aggressors must be effectively, thoroughly, and permanently disarmed. Meanwhile, the peace-enforcing mechanism should be made much more effective and powerful than before. Victor nations must be given fifty years' recuperation. Within half a century, the desperadoes should be prevented from rebuilding land, air, and sea forces and war industries. When the fighting weapons of those warlike nations have been taken away for so long, technique will necessarily have made vast strides and the trained cadres needed for using new weapons will be lacking. Also, with an unchallenged prestige of five decades, the international peace mechanism will be firmly established. In case it is still not sufficiently powerful, our own national defense should be well set up, and even our Navy would be sufficient to protect our coasts from invasion.

5.

Dr. Sun Yat-sen pointed out to us, years ago at Canton, that China was a "hypo-colony," not even a semi-colony, being one degree lower than such colonial states as Annam and Korea, for we were under subjection to not just one master-state, but a great many foreign powers. Any other country in the world that had a semblance of force wanted to lord it over us; second- or third-class powers in Europe treated us with haughtiness and contempt as an inferior nation. Italy and Austria had their settlements or concessions in China. But we are no longer the object for ridicule and contumely by all and sundry. It can be foreseen that after victory is won by us, China will command even greater respect in the world.

On New Year's day 1942, China was among the first powers to sign the United Nations anti-aggression declaration. After the signature, President Roosevelt shook Foreign Min-

ister T. V. Soong by the hand to greet China as one of the four great powers. Professor Harold Laski said that people all over the world who love their fatherland and love freedom must feel grateful to China. This is no mere compliment. If China had not made a great and bloody sacrifice for five years, the world's situation would not be as it is today, and the United Nations would be beset with worse difficulties. That is undoubtedly China's great contribution to mankind. At the same time, for our own sake, we have emerged from a "hypo-colony" to a strong power, sweeping away once for all the gibe of "a tray of loose sand," and the shame of being an unclassed state in the world. We have, in other words, rediscovered ourselves and thereby regained our self-respect.

The underlying cause for this transformation is, of course, the resurgence of our national spirit. A nation, regardless of its size, when inspired by its determined will to survive, will never die. Sooner or later it will achieve freedom and independence, and will be accorded a position of equality in the family of nations. During the past three years, there have been fourteen states overcome by alien force. Among them France was the strongest of all on the European continent after the last great war. Her Army and Air Force were both of the first order. After 1918 she built up a system of satellite small states around her, like planets around a star. They followed where her wishes bent. She was the motivating force of the League of Nations. But in this war she capitulated in less than two months of actual fighting. She has now become an appendage of Hitlerite Germany. Her several million troops, her armaments, and her Maginot Line of defense were all of no avail. The reason of her failure, in a word, is the decline of her national spirit these twenty years. After 1918 the French people became surfeited with pride, softened by pleasures, reluctant to exert themselves, and fearful of sacrifice. Consequently, an army of over two millions surrendered to the enemy unconditionally, and now the whole nation is in the grip of the foreign conqueror. Early in the opening of our Sung Dynasty a thousand years ago, Madame Blossom, royal concubine of the King of Shu at Chengtu, left us a short poem lamenting over a similar fate. The quatrain runs thus:

Over the walls my lord hoisted his white flag in alarm,
Deep in the recess of the harem how could I comprehend?
One hundred forty thousand warriors ordered to disarm,
Why was there no single man his honor would defend?

In our case, the national spirit of our forefathers throughout the centuries is still animating us. It is crystallized in *San-Min-Chu-I*. Also after the arduous struggle of the Father of the Republic and our revolutionary martyrs, and with the able leadership of Generalissimo Chiang, the whole country knows that to beat and drive out the enemy is the most pressing task of the nation. All of these factors have united us as one man to resist the well-prepared enemy; and as a result we are today regarded as one of the four great powers. From now on, we should no more think of ourselves as a weak inferior nation, but must straighten up our backs and shoulder our duties to the world.

6.

In March 1938 I went from Moscow to Czechoslovakia and paid a visit to President Beněš. China had been in the war for only eight months then. The Czechoslovak President expressed his admiration at our gallant resistance and said he thought in the beginning we could last two or three months at most; but now, as we could hold on, China must be a strong nation in the future. At the end of my call, as I rose to shake his hand, the President apologetically corrected himself, and said to me, "But you are already a great power." In November 1939 I went from Moscow for the second time, when the war in Europe was over two months old and Czechoslovakia had already been crushed by Hitler. President Beněš was staying in the suburbs of London, where I went to see him. He appeared very sad, saying that in spite of her million troops and some two thousand military planes, Czechoslovakia was too small to make any effective stand against invasion; so that she had, without any resistance, to submit to German absorption. He opened a map, pointed at the great expanse of our territory, and then said that, considering our perseverance in carrying on the war against overwhelming odds in equipment, he had nothing but respect and admiration for us. Beněš is a great statesman in eastern Europe. He did much valuable work in the League of Na-

tions. The defense network in the Sudeten mountains region adjacent to the Czech-German border was almost as strong as the Maginot Line, but still they did not dare to oppose German invasion. The small size of the Czech state is a real cause of the failure. Half a day's drive by automobile could take one across the whole country. Reflecting on what Beněš said to me, how we should love the almost boundless space, the great land "embroidered with mountains and rivers" that we call China, given to us by God!

Here I have another episode to tell, as related by the late Tang Shao-yi, showing how China was quite a powerful state before the Sino-Japanese War in 1894. He once told me the story of how China then had some new warships built in England, such as the *Chen Yuen* and the *Chi Yuen*, commanded by Admiral Ting Ju-chang, which paid a visit to Japan some years previous to the outbreak of war in 1894. After casting anchor at Yokohama, Chinese marines went ashore sight-seeing into the city without taking along their arms. As they sauntered through the streets, some minor incidents happened, for they looked down on the local inhabitants. Admiral Ting notified the Yokohama police authorities that while the Chinese fleet was in port and our marines had their shore leave, it was best the local police did not carry arms in order to avoid possible troubles. The chief of police promptly conveyed the message to the Ministry of Interior at Tokio, which submitted the matter to the cabinet meeting for deliberation. As a result, the Japanese Government circulated orders all over the country that during the period of the Chinese fleet's visit to Japan, all policemen should carry no arms.

Before 1894, subjects of the Chinese Empire enjoyed extra-territorial rights at Yokohama and Kobe; when disputes arose between our people and the local populace, our consulate officers had as a rule the chance to protect their countrymen from unfair treatment. I do not mean that extra-territoriality is a thing at all to be desired by ourselves, even in Japan; but what I have just said serves very well to illustrate that fifty or more years ago we were not so lowly as to be browbeaten by every foreign country. After our defeat in the naval battle in 1894, Japan began to follow in the track of Western imperialism at China's expense. However, China

will for certain, it may be predicted, recover from her prostrate position after the war.

We shall not only regain our status of fifty years ago—that of the senior state in Asia—but also restore the leading and stabilizing role in the Orient that was ours for more than two thousand years. Annam was for centuries part of our southernmost territory, and Korea looked up to us as her suzerain state. Siam, Burma, and Sumatra were tributary states of China for the last thousand years and more, till toward the last century of the Manchu Dynasty. China was not covetous of their tributes, accepting them, in fact, only as marks of respect. We sent back, in turn, by the hands of the envoys of those vassal states a good many precious gifts as signs of graciousness and benevolence. In brief, China commanded great respect, but was kindly toward her neighbors, the weak and small states around her.

When we shall have won the war, our greatness will once again be restored. Our countrymen should therefore no more from now on cherish an inferiority complex, and put on a self-abasing appearance before people of friendly nations. Nor should we, of course, be puffed up with arrogant pride. In intercourse, whether official or private, with other countries, friendliness and frankness must be the rule of conduct. If it happens that a country friendly to us were misled in dealing with us or with one or more of our other friends, it behooves us good-naturedly but firmly to point out its mistake, thereby resuming our ancient role of “making conquest not by force, but with virtue.” Even toward the enemy after his defeat, except to prevent his further attempt at aggression, we should be unstinted in our help and instructions to him, so as to enable him to fare well in peace and amity in the international society. On the negative side, we should not run into the pitfalls of imperialism; on the positive side, we must practice the basic principles upon which our Republic is founded, and help to build up a brave new world of justice and equality for all peoples.

THE QUESTION OF KOREAN INDEPENDENCE *

1.

MANY AMONG US, too busily absorbed with our own problems and privations, have almost forgotten the long connection which existed between China and Korea. It is necessary to remind ourselves that the relations between our two countries, as fraternal states, have a history of nearly forty centuries. Through all the vicissitudes in this lengthy period, there has never been ill-feeling between us. This is because we have a common culture. In the recent past, Japanese imperialism, in its attempt to deceive the Chinese people and lull us to sleep, has often drummed into our ears that the Japanese are of the same culture and come from the same race as the Chinese. The assertion of common culture and common race can be made without pretence when it is applied to the Chinese and Korean nations, for when Korea was still independent, her culture was identical with ours. Since Japanese annexation, however, the original and indigenous culture of the country has been ruthlessly suppressed and nearly destroyed by the hated conquerors.

We all know that during the past several decades, while China was beset with perplexities in her international relations with the West, she had at the same time to resist pressure of Japanese imperialism in the Orient. Japan's aggression against China and her ambitious attempt to swallow the whole of East Asia both started with Korea as a bridge-head. The Japanese landed in Korea in 1894 to intervene in the domestic affairs of that country. This precipitated the Sino-Japanese War of 1894-95. The Manchu regime in China, feeble and dying though it was, made a belated attempt to support Korea and save her existence. This move failed disastrously. China suffered ignominious defeat. But in the Treaty of Shimonoseki it is still solemnly written down that the two signatories undertake to recognize and

* Speech delivered at the Problem of Korea Forum under the joint auspices of the Society of Oriental Culture, Chungking Branch of the International Anti-Aggression League and the People's Foreign Relations Association, Chungking, March 22, 1942.

respect the independence of Korea. The enemy hesitated to finish off Korea at once because he was wary of intervention by the great powers. A decade later, in 1904-05, Japan again went to war and this time defeated Imperial Russia on the plains of Manchuria. With the signing of the peace treaty at Portsmouth, Japan was conceded the position of a great power. Korea became a Japanese colony without a word of opposition on the part of the other great powers. A resident-general in the person of Marquis Ito was sent to Seoul to complete arrangements for the final absorption of Korea as a part of Imperial Japan. The so-called union of Japan and Korea was formally announced to the world in August 1910. The last sovereign of Korea was shipped to Japan and demoted to the rank of an imperial prince. Thus died Korea.

With Korea safe in his pocket, the enemy's next move was to entrench his position in our three eastern provinces, which he grabbed unceremoniously in 1931. From Manchuria his tentacles were wriggling toward our metropolitan provinces in North China. Then came the Marco Polo Bridge shooting on July 7, 1937. China, goaded beyond human endurance, struck back at the invader as a united nation and launched our war for total resistance. The heroic fight we have put up has brought about a new world situation and transformed the outlook in East Asia. We have not only exposed the cunning and overweening ambition of the enemy to conquer Asia and dominate the Pacific, but we have also shattered his well-laid plans for world dominion. This is the opportune moment for us to take up again the question of Korean independence. Time for the revival of Korea is near at hand. The enemy started out on his career of lawless aggression with Korea as his springboard; he shall perish with his ambitions forever with the resurrection of Korea as an independent nation.

That Korea must and will regain her independence, thus bringing to a conclusion the enemy's attempts at continental conquest and global hegemony during these several decades, is a historical inevitability. It is not mere wishful thinking.

Our Korean friends, in a manifesto published on their memorial day, state that after the Russo-Japanese War, had the democratic nations been farsighted enough to take concerted action with China in upholding Korea's independence,

the world today might not have to fight this World War II. There is much truth in what they say. The friendly powers were then incapable of looking into the distant future and envisaging the faintest sign of the enemy's inordinate ambitions, so the cause of the present world disaster was implanted in the soil of Korea.

Concerning the criminal responsibility for letting loose this cruel war upon the world, the European victims invariably point their fingers at Germany and Italy. This is not the whole truth. It is, as our Chinese saying goes, "knowing the one, not knowing the two." The real, not so remote, cause of this world war is Japan's invasion and seizure of Manchuria in 1931, and the failure of the League of Nations to apply sanctions, in accordance with League Covenant, to stop her. Germany and Italy in Europe, knowing the League too feeble and impotent to do anything, were encouraged to follow Japan's example by each embarking on an aggressive career of her own. The war in Asia and the war in Europe coalesced and became World War II. Japan is therefore the original culprit responsible for starting this world war. But the remoter cause was the Sino-Japanese War of 1894-95, which brought Japan into Korea as her overlord, culminating in the complete suppression of Korean independence. In this historical light, the survival or extinction of Korean independence has directly and indirectly affected the relations of nations. Let us hope that after this war, world statesmanship will have learned a lasting lesson and acquired a keener vision to arrange a better future for mankind under a more durable and equitable peace.

2.

But the realization of a durable peace is conditional, I am convinced, upon the recovery of national freedom for all peoples. This point is generally conceded by enlightened statesmen of the world today. President Roosevelt and Prime Minister Churchill, when they jointly issued in the name of their governments the declaration now known as the Atlantic Charter, both recognized the importance of restoring national freedom to peoples who have lost it. The third point in their joint declaration says that they respect the right of all peoples to choose the form of government under which

they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them.

There are people, however, who think and say that this principle of national freedom is confined in its application only to those European nations recently conquered and enslaved by Nazi Germany and Fascist Italy. This is tantamount to saying that the Atlantic Charter is a charter for European freedom; that it applies solely to Europe and has nothing to do with the freedom of all non-European peoples. This, I think, is a perverse distortion of the real meaning. The two statesmen cannot be so near-sighted as not to have envisaged the plight and sufferings of peoples under subjugation and tyranny in parts of the world outside of Europe, when they met to draw up this joint declaration.

In September 1941, Prime Minister Churchill, addressing Parliament shortly after his return from the Atlantic meeting with President Roosevelt, did say:

At the Atlantic meeting, we had in mind, primarily, the restoration of sovereignty, self-government, and national life of the states and nations of Europe now under the Nazi yoke.

But a few months later there was a radical change in the world situation. Twenty-six countries had signed the declaration of the United Nations at Washington on New Year's Day 1942, subscribing "to a common program of purposes and principles embodied in the joint declaration . . . dated August 14, 1941, known as the Atlantic Charter. . . ." The Atlantic Charter may have been regarded as a charter for European freedom when it was first announced in the summer of 1941. It has undoubtedly now become a charter for world freedom, embracing the destinies of peoples and states in all parts of the world besides those of Europe.

When victory is won, the United Nations will have to found a new world order, more equitable and more durable than the old one. Freedom and sovereignty will have to be restored to all conquered and enslaved nations and states. It is not enough to restore Czechoslovakia, Poland, France, Belgium, the Netherlands, Norway, and the countries in south-eastern Europe. Nations and states in Asia who have been deprived of their freedom and sovereignty in the past cen-

ture or so are equally entitled to reclaim and resume their rights to nationhood. Korea, for one, must recover her independence from Japanese repression. India, that great country to the southwest of us, must also sooner or later win its freedom from British domination. Other Asiatic countries such as Burma, Annam, and the East Indies must ultimately be emancipated from alien bondage, whether white or yellow.

In the present war in the southwest Pacific, the only place where there has been protracted native resistance to the enemy invasion is the Philippines, where guerrilla fighting was resorted to by the native population in support of white American troops. This is practically a unique instance. Why is it so? It is because America's policy toward the native Filipinos has been an enlightened and liberal one. Complete independence to the Philippines was pledged by the American Government and enacted into law to take place by 1946. In the meantime, and as a transition, the Philippine Commonwealth, with its own president and legislature elected by popular suffrage, was inaugurated in 1935. The United States, almost from the beginning when sovereignty over the islands was taken over from Spain in 1898, has never treated the Filipinos as a conquered colonial people, but regarded them as "the little brown brothers" to be protected and educated and trained for self-government and ultimate free nationhood. Such an enlightened and high-minded policy has undoubtedly endeared the American government and people to the native peoples in the islands. The epic at Luzon proves it.

As an instructive contrast, let us consider the situation of the British colonies in southeast Asia. Malaya and south Burma, Hongkong and Singapore, all were lost in rapid succession, almost as soon as the enemy landed. In all these places there were no native armies to participate in their home defense. No native armed bands took part in repelling the invaders or gave help to save their old masters. Plainly speaking, this shows up the short-sightedness of Britain's past colonial policy in Asia. British colonial administrations did nothing in the long years to train and equip the native populations for home defense or prepare them for autonomy and independence. British colonial officials have often been stupid people who were wont to treat their native wards with

an attitude of contemptuous superiority. Witness the beating and kicking of burden-bearers and ricksha pullers by European police inspectors in Singapore or Hongkong. Can anyone blame the native peoples under British rule for harboring hatred against their white rulers? With a native population both hostile and unorganized for home defense, the colonial garrisons were under a handicap from the outset. They capitulated quickly and completely the moment they thought the situation had become untenable. The utter failure of their colonial policy should prove both a bitter and helpful lesson to the British people, who are in many ways, we must admit, a great and wise people.

Liberation of enslaved peoples both in Europe and Asia is not just a vain hope or a castle in the air. We of the United Nations must champion and promote the cause of all oppressed peoples, the weak and the small, to make their freedom and independence the chief objects of our anti-aggression crusade. Enlightened public opinion in America and Britain is already agreed on this point.

It is unthinkable that world statesmanship is so bankrupt that a just and rational solution to this problem of freedom for the small and weak nations cannot be found when victory comes. If prewar imperialism should resume its evil work, and national freedom for all enslaved peoples cannot be realized in the postwar world, then the end of this war will simply mean beginning preparations for a third and greater war. No man in his senses would want that to happen. It is my conviction that mankind is yet capable of living in peace and good will under the guidance of a highly practicable though lofty ideal, that of freedom and equality for the weak and small nations.

3.

I recently read an article in the daily press to the effect that colonial and backward nations attempting to form independent new states by means of nationalist struggles will fail of their aims, for the opportune time is past. This is a flagrant misstatement. The war of resistance in our country is a war for national liberation; therefore it is a nationalist struggle in the strictest sense of the word. Our victory will be a victory for Chinese nationalism, the victory of our aspi-

ration to be a free and independent nation-state. Soviet Russia's heroic struggle against the invasion by Hitlerite Germany is not a struggle between socialism and capitalism. It is also a patriotic war for national liberation and survival of the Russian fighter's fatherland. It is therefore also a nationalist struggle for freedom. When this present world war is fought to its logical conclusion and victory is secured, it will result in the survival of China and the U. S. S. R. both as free and independent states. It will also result in the restoration of conquered nations to new-found freedom. How can we say the opportune time for colonial and backward peoples to recover freedom and form independent states by means of nationalist struggles is over?

It is true this great war was first started by the newly risen forces of Japanese imperialism greedy for colonies on the continent of Asia. This movement for imperialist expansion was later taken up by the Axis partners in Europe, with the view to forcing a redistribution of natural resources at the expense of the great colonial empires of Britain and France. This World War II, like its predecessor, had its origin in imperialism and imperialist rivalry. But the present situation is quite different from that of the last great war. The present war is influenced by two great factors, China and the U. S. S. R.: both are fighting to establish a new order under which their national freedom and existence shall be secured against lawless aggression on the part of their neighbors. Securing their own freedom will necessarily mean guarding the freedom of all nations in the postwar world. With these two mighty forces on the side of human justice and world freedom, mankind stands a chance of avoiding his past mistakes by getting out of the blind alley into which humanity stumbled in the prewar world. I am sure that, with the conclusion of this war, we shall see one after another all the conquered, enslaved, crushed, and oppressed nations of the world resurrected once more as independent sovereign states. How, then, can we say that the time for the erection of new states by nationalist struggles is over?

In the postwar world there will, of course, still be great and small nations and states of various sizes. China, the U. S. S. R., the U. S. A., and India, for example, will continue to be countries of continental dimensions. Britain, to-

gether with her overseas dominions of Canada, Australia, New Zealand, and South Africa, will remain a great world-wide commonwealth. These will be the great powers in the postwar world, and must take the leading roles in the conduct of world affairs. Some of the resurrected and newly risen states will perforce be smaller entities. But between all nations, irrespective of their size and strength, there should be equality and mutual respect of each other's national sovereignty and territorial integrity. Then equality and freedom among the nations will be realized. It is by no means necessary that all should be great powers in order that equality be established.

Next in importance, new international organs must be set up to handle economic as well as political matters of common interest and concern. New ways and means will be needed to resolve new problems and difficulties as they arise from time to time in the course of the development of international relations. It is then possible to realize the common ideals of freedom from fear and the freedom from want as stated in the Atlantic Charter. I hold that these ideals, freedom and equality among nations and security and abundance for all peoples, are the universal demands of mankind, which must be secured and safeguarded once for all as the great prizes of this war against aggression and tyranny.

4.

In the Pacific, the common enemy of the United Nations is Japan. In our joint effort to defeat Japanese imperialism, the 25,000,000 people of Korea should be given a great part to play, as they occupy a very strategic position in the enemy's rear. The Koreans have lacked their independence now for almost thirty-five years, yet the pain and sorrow of their national extinction as a free state are still fresh in the memory of the older generation of Koreans who must cherish still "enmity and hatred deep as a sea of blood" against their oppressor. The younger patriots, inspired by the struggle for world freedom in this great age, and urged on to continue the fight for national revival by their elders, should be ripe for organized risings to overthrow the enemy. At this juncture, helping the Korean patriots in their mission will mean a great contribution to the winning of the war. The enemy's

collapse may be hastened, and the duration of the war may be shortened. We should therefore render aid to the Korean people to rise in armed revolt by all means at our disposal.

To give aid to Korean independence, one thing we can do immediately is to recognize the Korean Provisional Government, which was first formed in 1919 at Shanghai, simultaneously with the declaration of independence by Korean patriots. This Korean patriot-refugee government was in fact recognized by Dr. Sun Yat-sen in the spring of 1921, when he assumed the presidency of the Southern Revolutionary Government in Canton. Since then, and up to the time of our national resistance, we had not given much aid to the Koreans except sympathy because the time was inopportune and we were powerless to help. Now the moment has come, and we are in a position to do so. With the outbreak of the Pacific War, we are no longer fighting the enemy alone, but side by side with the many other united nations. The ultimate defeat and complete expulsion of the enemy are no longer in doubt.

China's last attempt to support Korea was frustrated by our defeat in the war of 1894-95. We are nearing the fiftieth anniversary of that war. I think we shall commemorate our old defeat with a great victory, when Imperial Japan will be so thoroughly and decisively beaten that it will pass out of existence forever, nevermore to menace us again. That day of victory will see the restoration of Korean independence, and the retrocession of Taiwan, the return of Talien and Lushun, and the whole of the Northeast to China. This is no more an empty dream. But we must be resolutely determined not merely to rest satisfied with the recovery of all our own lost territories, but to carry on the war until the hated enemy is driven out of Burma, Siam, Indo-China, the Malay Peninsula, and all other lands in southeast Asia. General Stilwell told Chinese journalists in the wartime capital that the final war aim of the United States is to have the U. S. Army march into Tokio side by side with the Chinese Army. The defeat of the enemy and the "march to Tokio" is now the common objective of the United Nations. Let us therefore no longer doubt the possibility of Korean independence after the war. We must help them to achieve it by first according recognition to their provisional government.

The Korean Provisional Government has been leading the revolutionary struggles of its people for all these years. It has represented the Korean nation ever since its formation. There are, of course, different parties among the Korean patriots at home and abroad, but there is no other provisional government claiming to speak for the nation. Thousands of Korean émigrés in America, in their recent mass meetings, have pledged their support to this government. Korean residents in the Soviet Far East and in our northeastern provinces also uphold this provisional government. All this indicates the united attitude of the Koreans. It is therefore up to China to take the lead in giving recognition to this Korean Provisional Government, so that other friendly powers may do the same later. This move will tend to strengthen the hands of the Korean patriots in their struggle for liberation.*

Let our Korean friends rest assured that China will never turn imperialistic. This is borne out by our past relations. When the common enemy is driven out, our two countries must act in close collaboration to safeguard peace and security on the continent of East Asia. We are bound by ties of race and culture, as well as by geographical propinquity. These ties must be cemented closer after the war, when an independent Korea will take her rightful place in the building of a better and happier world.

15

FINAL VICTORY AND PEACE TERMS †

1.

DURING THE PERIOD in which we fought the Japanese alone, our strategy was to draw the enemy farther inland so as to waste his manpower and material; in other words, a strategy

* The Cairo Conference pledged that Korea should be independent "in due course."—Ed.

† From an article commemorating the fifth anniversary of the outbreak of war at Marco Polo Bridge, published on July 7, 1942.

of trading space with time. In the political field we had been following a twofold policy: internally, to make use of the opportunity offered by the war of resistance to speed up the work of state construction—that is, to establish a firm basis, politically, economically, and socially, for a *San-Min-Chu-I* Republic so as to reinforce our military strength for the winning of final victory; and externally, from the winning of foreign sympathy and help to a state of active co-operation for the annihilation of the common foe.

Strategically, we accomplished our task. The Japanese thought that China could be crushed within three months after the outbreak of war. Not only did the enemy fail utterly in this, but also because of his inability to settle the so-called “China Incident,” he had to undertake further suicidal commitments. Thus he declared war on the United States and the British Empire.

Politically, we also achieved much in internal reconstruction. In the field of political reforms, the nation-wide adoption of measures for the speeding up of local self-government and the participation of the people in local and central government are indications that the principle of People’s Rights is being put into effect. Administrative efficiency has been gradually increased as the government takes in more trained men for various posts. In the field of economic and social reconstruction, similar accomplishments have also been achieved, such as the development of state-owned enterprises, the establishment of government organs for national economic control, and the increase of production in the rear. In the field of foreign relations, what we have achieved is clear to all and hardly needs recalling.

Yet in spite of all these achievements, much remains to be done. We are still far from the full realization of the principle of People’s Rights. Official corruption has not been completely stamped out, and the rule of law has still to be firmly established. In the field of national economy, there has been tremendous increase in our national expenditure for the prosecution of the war, and yet the tax burden of our people is still far from being equally shared by the rich and poor alike. While peasants and consumers generally have been taxed almost to the limit, large landowners, property holders, and particularly war profiteers have not as yet con-

tributed their fair share to the national treasury. For these people, much still remains to be done by the efficient enforcement of the various measures in direct taxation. As to the acute price problem and the maintaining of some kind of an equilibrium between supply and demand of commodities, much also remains to be done.

2.

With the changed international situation, we should look forward to the changed future which lies ahead with new hopes and understanding.

Before December 8, 1941, our greatest hope was to immobilize the millions of Japanese soldiers sent to China by our poorly equipped fighting forces at a sacrifice several times greater than that which we could inflict on the enemy. When the enemy should come to realize the difficulties he had been encountering, and the manpower and material he had been wasting in his war against China, he would then withdraw his troops from China, either voluntarily or involuntarily, and restore to us the territories once under his occupation. Should our single-handed resistance be able to carry on to a finish, and the enemy be willing to withdraw his troops from China and ready to negotiate peace with us, the most advantageous terms we could get under the circumstances would be the restoration of *status quo ante* July 7, 1937, or, at most, the restoration of *status quo ante* September 18, 1931. We would be quite happy and willing to conclude peace with Japan if she should restore to us the four north-eastern provinces and withdraw her troops from our coastal areas and various points inland. We would then imagine ourselves as having won the final victory.

But there remains one point. Although the enemy would by then have suffered considerably in his land and air forces, his navy would still be intact. He would still be able to maintain his naval supremacy on the Yellow Sea, the East China Sea, and the South China Sea. If the enemy should insist on but one condition at the peace parley, that of Sino-Japanese economic co-operation, and be willing to make other concessions, what could we do? Should we accept it, or should we not accept it? If we should reject it, although his troops would by then have been withdrawn from China,

he could send them back in a day or two, and our coastal ports would again be under enemy blockade. If we should accept it, even though the enemy had suffered military defeat, he could still conquer us politically and economically. What we might have thought to be final victory would in the end be nothing but defeat. So in our war of resistance against Japan alone, we might be able to achieve all kinds of successes save the destruction of the enemy's fleet. And as long as the Japanese navy remained intact, we could not possibly secure victory. What peace we were able to conclude would not be worth the paper it was written on.

But now our single-handed resistance has become part of the common struggle of the United Nations against Japan. What we could not possibly achieve when fighting alone could now be achieved by the common efforts of the United Nations. Although the enemy succeeded in capturing one strategic point after another in the early months of the war, his weakness lies in his inability to replace the tremendous losses in warships and merchantmen which he has been sustaining.

When the precious possessions on which the enemy relies, i.e. the Imperial Japanese Navy and his merchant fleet, are completely wiped out, the enemy troops on our soil will look east across the sea to the land of the Rising Sun with a sigh and face complete annihilation.

3.

That Japan is bound to go down in defeat in this war goes without saying. When victory comes, China wishes to recover not only all the territories under enemy occupation since September 18, 1931, but also those which have been taken from us by the enemy since the first Sino-Japanese War of 1894-95. That is to say, China should recover such territories as Taiwan (Formosa) and Penghu Islands (Pescadores), which Japan took from us as a result of the first Sino-Japanese war, Talien (Dairen), Lushun (Port Arthur), and the South Manchuria Railway, which the enemy seized and possessed at the end of the Russo-Japanese War in 1905, the four Northeastern Provinces of Manchuria and Jehol, and all the territories held by the enemy since July 7, 1937.

Besides the recovery of our domain which has been under

enemy occupation, we might, out of our desire to maintain peace and security in the Far East, state our peace terms as follows:

1. Japan must surrender to China all of her remaining warships still afloat; completely demilitarize and dismantle all fortified zones and naval bases; close down all training schools for the navy, and for a period of fifty years be prohibited from building any naval vessel.

2. The Japanese Air Force must be completely liquidated; all remaining military aircraft dismantled; all aircraft factories demolished; all aviation schools closed down, and for a period of fifty years, Japan not allowed to produce any kind of aeronautical equipment.

3. The Japanese Army must be completely disarmed; all arsenals dismantled; all schools of military training from staff college down to infantry school discontinued; and for a period of fifty years, Japan not allowed to have any organized army, except that, for the maintenance of domestic peace and order, she may have a police force.

4. While withdrawing her troops from China, Japan must be responsible for keeping all properties, public and private, Chinese as well as foreign, intact and in good condition to be taken over by Chinese authorities.

5. Japanese emigrants who have come to China since September 18, 1931, should all be repatriated.

6. Japan must withdraw from Korea and recognize and respect Korean independence.

7. Japan must surrender to China half of her remaining merchant fleet.

8. Half of the Japanese metallurgical and steel works, shipyards, machine tool factories, cotton and paper mills, cement works, chemical fertilizer plants, etc., must be dismantled and their machinery and equipment shipped to China for re-erection.

9. Half of the collections of Chinese and Japanese books and all those in other foreign languages in the Japanese universities and libraries must be sent to China. Half of the laboratory equipments in Japanese universities and research institutes should also be sent to China.

10. All Chinese antiques and works of art which have a bearing on Chinese history and culture, and Chinese arms,

equipment, and utensils captured by Japan since the first Sino-Japanese War and in Japanese museums or in private collections, must be restored to China.

11. The Japanese press should not be permitted to publish anything which might incite anti-Chinese feeling among the Japanese, and the Japanese Government will be held responsible for destroying all such anti-Chinese literature published and in circulation before the peace settlement.

12. In order to see the faithful execution of articles 1, 2, and 3, the United Nations will dispatch an Allied Army of Occupation to Japan to be stationed at Tokio, Yokohama, Kyoto, Osaka, Kobe, Nagoya, and other important places. The expenses for maintenance of such an Allied force will be borne by the Japanese Government.

The above peace terms may appear to be too idealistic. Today, however, they are feasible. All depends, of course, on our war effort and that of the United Nations. Victory is ahead of us.

16

NEW STRATEGY TO DESTROY THE JAPANESE PIRATES *

1.

OUR PEOPLE HAVE ENDURED unbelievable hardships and sufferings in their struggle, but through it all their faith in ultimate victory has not waned and remains unshaken. The armed forces of the United Nations have turned the tide of battle. The immortal victories of Stalingrad and North Africa have been recorded. Our own troops have defeated the Japanese in western Hupei. These are all proofs that final victory of the United Nations will be sure and certain.

Axis propaganda used to deride the inability of the democracies to conduct an all-out war. This propaganda has

* Commemorative message on the Sixth Anniversary of the War of Resistance against the Japanese Aggressor, July 7, 1943.

been given the lie by events. The people of the democracies are performing deeds of heroism at the front and in the factories in defense of their liberties and their national existence as free men. The history of the present century will be written in letters of gold as a record of the complete victory of freedom and democracy over fascism and tyranny.

Victory will be ours. But we still have much to do, and it is impossible to predict when and how victory will come. The main task of each and every one is to hasten the coming of victory by redoubling our efforts in the prosecution of the war. In war the human factor is most important, and unnecessarily to prolong the war may bring about unexpected difficulties. It is true that to the Chinese people the demands of war seem unending, but they are still ready to gird up their loins and endure additional privation and suffering, so long as they are necessary for the final and speedy victory. Time, up to now, has been our friend; but there may be a moment when it might come to the assistance of our enemies.

2.

The recovery of Burma may not by itself appreciably shorten the war in Asia and the Pacific. This can readily be understood because of the climatic limitations of that theater. In Burma campaigning is handicapped by the monsoons. Operations can proceed only between October and May, during the dry season of the tropics.

Burma has become a powerful base for the Japanese, and they are in a position to draw large supplies and reinforcements from Malaya, Thailand, and Indo-China. Experiences in North Africa have shown that for the reconquest of Burma equally large forces will be needed, and the fighting will be both long and hard. The next monsoon may be upon us before the enemy is liquidated and Burma cleared.

The purpose of the reconquest of Burma is to reopen the Burma Road for the flow of supplies to China in order that the Chinese armies, who have shown their effectiveness in the victory of western Hupei, can take the offensive to drive the Japanese into the sea. Thus the first task will be the repair of the railways and roads in reconquered Burma and

the concentration of motor and water transport in large quantities.

In the past the transport capacity of the Burma Road was limited. To equip the Chinese main armies sufficiently to assume the offensive, we shall require at least a million tons of war materials. On the basis of what has been done in transport, it would take five years to bring these supplies over the road, so that the offensive campaign could not reach its climax before 1949.

If we aimed at a less ambitious program and brought in 500,000 tons before starting our offensive, three years would be required; it would be 1947 before our troops would be able to take the offensive. If these premises are correct, the supplies coming up the Burma Road may be too slow and too little.

I want now boldly, and at the same time cautiously, as becomes a layman, to suggest certain points concerning the best strategy for the defeat of Japan.

At the Casablanca Conference it was decided that Hitler should be defeated before Japan. This strategy caused uneasiness among the Chinese people. We felt that this was tantamount to saying that the defeat of Japan would have to wait a long time. Among thinking people in Great Britain and the United States there was also uneasiness, as it was rightly considered that the delay would give Japan time to dig in and consolidate her gains. The Washington Conference between Mr. Churchill and President Roosevelt seemed to have brought the required modification in the previous line of strategy, although at the conclusion of the conference the statement by the White House spokesman consisted of only one sentence.

Mr. Churchill in his speech before Congress gave an indication of a real global strategy which was an improvement over the Casablanca decisions. He said that the greater part of the United States armed forces was being concentrated in the Pacific. This, with the recapture of Attu and the preparations for the Burma campaign, gave us a more encouraging picture of the future. It showed that the leaders in conference realized that to leave Japan even temporarily alone would be to present the Japanese with "time" in return for nothing, not even "space." Also it showed that the island-to-island

strategy, coupled with an assault on Burma, would not be strong enough to force the unconditional surrender of the Jap pirates.

If our strategy is not able to bring about the defeat of the main strength of the Japanese Army and Navy and also cut the long lines of communications between the home base and her newly acquired possessions in the south and southwest Pacific, we shall not be able to smash the Japanese war machine and blast it out of the war. To continue the past strategy would mean a long war of attrition. It cannot bring us to the heart of Japan and cannot bring the Japanese main fleet to battle. This means that initiative is still in the hands of the enemy, and while we are nibbling at the outer defenses, the Japanese behind these defenses will be strengthening themselves against the time when they will be ready to resume the offensive either against India or Australia, or even against the American mainland. Such strategy is against the accepted principles of military science.

There are indications at present which give us a less pessimistic picture. If our Allies are ready to employ their increasing might, both military and productive, more effectively and with greater boldness and decision, we can employ an entirely new strategy which will result in gaining our three main objectives in the Pacific War—namely, to force the main Japanese fleet to battle, to cut the lines of communications between Japan and the outer possessions, and to open the front door of China to an adequate flow of materials for the final offensive against the Japanese on the Asiatic mainland. Only by this can we bring the enemy pirate empire to total destruction.

This new strategy which is presented for consideration rests heavily on the United States, which possesses the greatest strength in the Pacific, and which is shouldering as heavy a responsibility for the operations in the Pacific as we are for the operations on the Asiatic mainland. The tactical plan for carrying out this strategy is to concentrate at once large sea, land, and air forces in the central Pacific, with Hawaii as a base. This expedition can proceed due west across the Pacific and cut a sea lane by force right to the front door of China.

The objectives of the task force would be: (1) to sweep

the Jap pirates off the outer ring of defenses in the central Pacific from the Marshalls, Carolines, and Marianas. This aims at the recapture of Wake, Guam, and Luzon, which were lost after Pearl Harbor, and the assault upon and capture of Formosa. (2) To entice the Japanese main fleet—on which depends the piratical destiny of Japan—to give battle. Its defeat and sinking would leave the garrisons in the south and southwest Pacific unprotected and unsupplied, since the lines of communications would be cut. (3) To act in co-ordination with Chinese forces for the recapture of Canton and Hongkong. Supplies could then be brought direct to the Chinese mainland in greater quantities by merchant-ship convoys.

If this strategy is adopted, it may result in the war against Japan being over within two years. President Roosevelt has stated that Tokio can be reached by many roads. This road from Hawaii due west seems to be the straightest road to Tokio.

The main feature of the war against the Japanese in Asia and the Pacific is an exact and minute discernment of the proper economy of forces and the co-ordination of assault from Attu through Paramushiru, from New Guinea in the direction of Luzon, from Burma and from China, with the main, overwhelming striking force from Hawaii.

Assuming that the European war will last until 1945, the concurrent conduct of the war against Japan would mean the simultaneous conclusion of the global war.

3.

While we extend ourselves for victory we must pay attention to future peace more carefully than at the conclusion of the last great war. The main purpose of this war is the defeat of the enemy and the laying of the foundations of a lasting peace. Victory alone does not necessarily bring peace. In the last war Germany was completely defeated, but that did not prevent her from recovering to become the strongest aggressor nation of this war.

It is not true that at the Peace Conference in Paris the victorious states did not foresee the recovery of Germany. The Versailles Treaty imposed great limitations upon Germany. Still, under Hitler, she was able to let loose upon a peaceful

world a new and more terrible war. What were the reasons for this? First, the Allies did not destroy the German military machine; second, the Allies did not disarm Germany industrially.

To reconstruct peace in the Far East we must remember these lessons, smash the Japanese military machine and disarm Japan industrially. To do the first it is necessary fundamentally to eradicate militaristic education in Japan. The Japanese people have given the world the impression that they are a warlike and war-loving people. But war-loving is not necessarily an inborn characteristic of the Japanese. It is the result of education. Mr. Grew in his book "*Report From Tokio*" states:

. . . it was a common sight in Japan . . . and a startling one to recently arrived Americans . . . to see little fellows scarcely big enough to walk toggged out in military caps and playing military games. Anyone who passed a school yard would be even more startled to hear the blood curdling yells coming from the throats of twelve-year-old boys as they charged across a field with real guns and bayonets, and in a manner so realistic as to be chilling . . . from early childhood Japanese children were being reared for war, and reared with the thought that their greatest good fortune would be to die on the field of battle.

It is from such an education that Japan has become a menace to the world.

To carry out this destruction of the Japanese military machine it is necessary that the Japanese officer cadre and the military caste be relentlessly destroyed. Granting that the Japanese are a warlike people, they would then have no military leaders to guide them. The officers of the Japanese Army have shown themselves brutal arch-criminals, and as a body they should be tried and dealt with. Above the rank of major generals they should be shot; above the rank of lieutenants, they should be interned or imprisoned for life; the noncommissioned officers should be dispersed to other lands and set to hard labor. In this way the military caste and cadre would be separated from the people at home. There may be persons who will object to so drastic a punishment for these war criminals, but we have to remember what the Japanese have done to millions of innocent men, women,

and children in the devastated and conquered areas. We should grieve for these victims and also for the helpless war prisoners, including the United States Army flyers who heroically bombed Tokio and whom the Japanese murdered in cold blood. This treatment of war criminals is both rational and just. As the Chinese saying goes, "Magnanimity to the enemy is cruelty to your friends."

To carry out the industrial disarmament of Japan, it is necessary to demolish whatever is left of the Japanese war industries, heavy industries, and machine building industry. If these plants are not destroyed, they should be sent to areas devastated by the Japanese pirates as part of the reparations. There should also be a limitation of Japanese light industries. By this I do not mean that Japan should be forced to return to an agricultural economy, but her light industries must be limited to the production of articles for daily civilian use. This will prevent the Japs from recovering too quickly in order to rearm and revive their war industries.

Some of our friends think that we should not impose poverty upon Japan. Such friends generously propose that the greater part of the China market shall be reserved for Japan. Such ideas are dangerous for peace. It is true that we should not reduce our neighbors to poverty and engender hatred in the hearts of the masses of the Japanese. But we must make Japan taste the bitter fruit of defeat and poverty. This may reduce the standard of living, but we must know that, so long as the traditional policy of expansion is not dead, a prosperous Japan will hasten the revival of an aggressive Japan and recurrence of war in the Pacific. These acts of just retribution may engender hate and revenge in the people for a time, but let them practice the arts of peace for thirty to fifty years, and they will come to realize that the sanctions imposed were justified and in their own interests.

When Japanese militarism is destroyed root and branch, and the Japanese people can effectively control the actions of their government through democratic institutions, then will we have peace, friendship, good will, and prosperity among the nations living on the shores of the Pacific.

THE MIKADO MUST GO *

1.

THE ABIDING SIGNIFICANCE of the "Double Tenth," the anniversary of the Chinese Revolution—our own October Revolution—which gave birth to the Republic of China, is this: on October 10, 1911, a long epoch in Chinese history was ended and an entirely new era ushered in. It ended the immemorial institution of absolute monarchy in China, and in its place introduced the republican, democratic form of government, which Dr. Sun Yat-sen, Father of the Republic, took from the West and gave to the Chinese people.

Oriental despotism and imperial rule were the original and traditional forms of polity in which the Chinese people had been reared, and under which they had suffered generation after generation for countless ages. Our forefathers were taught, long before the ancestors of the present-day Japanese had ever heard of such dogma, that the Emperor was divine; in fact he was the very "Son of Heaven," anointed and appointed by Heaven to rule over his myriad subjects, the *pai-shing*, or hundred names scattered throughout the land. "All under Heaven was the king's land; all living within the sea-boards are the king's ministers," so said the *Shu-ching*, the "*History Classic*," written 3,000 years ago.

After the Manchu Conquest in 1644, the alien rulers fastened upon the country a system of despotism more absolute and hateful than any of its predecessors. The Manchus, like the Japanese before them, had their history rewritten to show that their first ancestor was directly descended from a supernatural being; thereby justifying their seizure of supreme power, and, in their own eyes, legitimizing their claim to Chinese submission and loyalty.

The October Tenth Revolution not only toppled the Manchu throne after almost three centuries of hated rule, but shattered for all time in China the idol and myth of divine kingship and imperial despotism.

* From an article written for the American and Chinese Press and published on October 10, 1943.

Yuan Shih-kai, while President of the Republic in 1915, dared to ignore the spontaneous verdict of the Chinese nation, and conspired to subvert the Republic and set himself up as Emperor Hung-Hsien of the new Empire. He failed miserably and died a disillusioned man. Chang Hsün, warlord and an illiterate, likewise missed this lesson of history; for in the summer of 1917 he was foolish enough to attempt the restoration of the Manchu Emperor. The little boy Emperor again sat on the Dragon Throne in the Peking Palace, but only for eleven days, and he was deposed a second time.

The lesson we draw from the "Double Tenth" is that aggressive militarism against which we are all fighting today, as in the case of absolute monarchism in China, can and must be decisively destroyed for all time, so that there shall be no recurrence of the scourge of German Nazism or Japanese militarism for at least the next hundred years.

2.

Among our allies in this war, and in particular our American friends, there is current a mistaken sentiment concerning the institutional position of the Japanese Emperor. This has been derived from a wrong notion which attributes to the Mikado the position of spiritual and moral leadership, to which all Japanese would pay unquestioned respect and blind reverence. The Tenno, being god in human form, must remain sacred to the Japanese people, no matter what happens. There is also a conception that the Japanese Emperor is all-powerful, and therefore able to control all elements and tendencies within his domain, or that he will fulfill the role as a modifying and liberal influence on his hot-headed fascist officers, all of which is simply bunkum.

The present-day "divine" position of the Japanese ruler is just the recent creation of the militarist caste, who, having mislearned their lesson from ancient Chinese history, imitated the Duke of Tsi by "taking the Son of Heaven by the arm in order to command obedience from his numerous vassal lords." In order to command absolute submission on the part of the people so as to carry out their nefarious designs for aggrandizement and glorification, the militarist caste simply makes use of the Tenno as their willing puppet, who submits himself to be deified before his death.

It may be interesting to recall that when the first Japanese history was fabricated, in the eighth century of the Christian Era, in the time of our T'ang Dynasty, it had to be written in the Chinese literary language, after the ruling caste had learned to use it, since there was no Japanese literature in those days. The author of this history of Japan was hard put to it to invent proper-sounding Chinese names for the unbroken line of nonexistent heavenly rulers. For a period extending more than a thousand years, all their emperors lived extraordinarily lengthy lives and must have kept themselves in superhuman vitality, for most of them were said to be centenarians, and every one of them begot his heir only after his eightieth birthday.

One of the more authentic latter-day Japanese emperors who died about 1500 A.D., was so poverty-stricken that he had to set up shop outside his palace gate in old Yedo to sell scrolls of calligraphy and water-ink painting in the Chinese manner done by his imperial hand and chopped with the imperial seal, all for the purpose of collecting a few paltry coppers to pay for his keep. After his death, the corpse had to lie unencoffined and rotting for more than forty days before the imperial household could gather sufficient means for his proper burial. This shows how much respect and reverence—or rather, the absence of such—were shown the Emperor by the ruling *Shogun* and his *samurai* in those good old days when Japan was still a hermit kingdom, isolated from the world but perhaps already laying plans for its conquest.

My point is simply this: there is no reason why the Japanese Emperor and the cult of emperor-worship should not be overthrown after the Jap pirates are defeated in this war.

To fight this war to a decision means that the common victory must be decisive in such a way as to preclude any resurrection of a militarist and aggressive Japan, or the probability of any recurrence of war in the Pacific. Japan must be so beaten and crushed, and so pulped and pulverized that she will not dare to entertain an aggressive thought for at least a hundred years. This can be done only by a fundamental revolution in the constitutional makeup of present-day Japan. Sweep away the military caste and its officer cadre, yes; but along with it, sweep away also the Emperor and the cult of emperor-worship. Only then will the self-deluded Japanese

people realize that the reign of Imperial Japan is ended forever, never to return. Only then will the grandeur-dazed Japanese people make up their minds that from then on, after their last defeat in battle, they will have to begin life anew as a nation. They will have to learn how to rebuild the political institutions of their country from the examples and experiences of their former enemies. They will have to learn the intricacies of democratic self-government without the hypnotic spells of a "divine" ruler.

3.

The Japanese Empire must be overthrown and the Japanese Republic set up in its place. It is only by this means that real democracy can be introduced and instituted in Japan, and the peace of the world safeguarded. In these modern days, and especially after what we will have gone through in this global conflict, no democratically governed nation will want war. Aggressive wars are invariably forced upon peace-loving peoples by the dictators who rule them. The Japanese people, once they are rid of their present rulers who are bringing ruin and suffering and despair to countless homes in their own land, will never want to undergo another war if they can exercise their will freely. But they will not be able to go their way so long as the Emperor remains a divine institution and the cult of emperor-worship a state religion.

Whereas the Chinese Revolution started as a spontaneous movement of the Chinese people led by the Revolutionary Party as their vanguard, the proposed Japanese Revolution will have to be initiated and introduced by the victorious United Nations after defeating the Japanese military power. In China our people were fortunate in having our leading party, the Kuomintang, first under the guidance of Dr. Sun Yat-sen, and since his death led by Generalissimo Chiang Kai-shek, as the agency by which the transitional period of political tutelage could be directed in order to transform the country from despotism to democracy. No such revolutionary party has yet appeared in Japan. It is conceivable that before final disaster overtakes her, an indigenous movement comparable to our own may emerge in Japan. But we must not count on it. Hence necessary measures should be devised in anticipation of the day when United Nations forces will

land and occupy the country to compel the Japanese militarists to accept our condition of unconditional surrender.

When Japan is finally occupied and the Emperor deposed and banished, it will devolve upon the United Nations, and principally upon the United States and China, to set up organs of control and advice whereby democratic institutions will be introduced and developed in a country which has suffered so long from the distorted precepts of militarism, "Ten-noism," and fascism. The task will be enormous and difficult. But unless it is done, the victory will not be decisive and durable.

It may be objected on the ground of the Atlantic Charter that to impose a republican-democratic form of government on Japan would be interference in the domestic affairs of the vanquished. Meddling with the domestic politics of a foreign state with whom we are at peace would be highly objectionable and could have no justification. But destroying the root and branch of jingoism and militarism in an enemy state in order to ensure peace and prevent future war is, on the contrary, highly desirable. We owe it not to our own peoples alone, but to the enemy peoples as well that adequate steps be devised and taken to forestall any possible future conflict by uprooting its very cause. Both high-minded wisdom and national self-interest dictate such a course. We must not, therefore, let irrelevant considerations cheat us of our forthcoming victory.

Let not our American friends misunderstand us. We do not want anything of the Japanese enemy when he surrenders unconditionally save what he has wrongfully and illegally taken from us. He has stolen our lands, which he must restore. He has dismantled and taken away machinery and equipment from our mills and factories. These he must be made to replace. But there are losses which he cannot indemnify. Millions of our defenseless men, women, and innocent children he has already slaughtered. These lives he cannot restore to us. We are determined that never again shall the Japanese enemy invade our country and burn, kill, and lay waste as he has done in these years since September 18, 1931. To ensure that such a catastrophe shall not happen again to our country, and that the blood which has been

spilled shall not have been let in vain, the "mikadoship" must be abolished when the militarist cancer is cut from the body of Japan.

Of a democratic and republican Japan we need have no fear. On the contrary, we shall be ready and willing to re-establish normal relations with a new Japan, revolutionized after her defeat, whose government will be democratically constituted and responsible to the Japanese people as a whole. Such a new Japan must and will take her rightful place among the world community of law-abiding and peaceful nations.

PART FIVE

To Peace

18

THE FUTURE OF CHINA *

1.

OF ALL THE COUNTRIES in the world, the first to sympathize with our resistance, and that in a material way, was Soviet Russia. Twice I went on missions to Moscow, so perhaps I can speak on the subject with some authority.

In the past, however, the Soviet Union was not free to aid us unreservedly, for she had and still has her own difficulties and standpoint. She had to be cautious, not too free, not too open, in lending us aid, which was, though, not little under the circumstances. There was no news in the daily papers that Soviet Russia had ever given us any loan of money or arms, but the thing was done nonetheless.

Next, let us consider America's attitude toward us. With a mighty navy in the East Pacific, she found, of course, her natural rival and potential enemy in Japan, the greatest naval power on this side of the ocean. If we could weaken that rival and enemy for her, so much the better. Hence, after we exchanged our first shots with Japan, her sympathy for us grew daily. Unfortunately, during three years and more, help to us and disservice to the enemy were not effectually expressed in positive actions.

The American Navy, if concentrated in the Pacific, could well take care of our enemy. But there were the Atlantic sea lanes and coast for her to guard and protect. After we had accepted the enemy's challenge, the American Government

* From a speech before the Students' Assembly at the National Fu-Tan University, Peipei, February 13, 1941.

was uncertain whether Europe would burst into flames, and if it should, whether she herself would be imperiled. Thus, wavering, she did not dare to aid us, fearing lest there might be conflict with Japan; and then, if the European magazine were to blow up after all, she would have too much on her hands. Two years later, all Europe was ablaze.

Another cause for American reluctance to help us was her own isolationism. After 1918 American public opinion was for closing the doors and shutting out all troubles, whether they originated in Europe or in Asia, as if that were possible. Since that mistaken and, to the world, irresponsible view permeated the nation, all diplomatic measures taken by the President or his government were strictly under public surveillance, and if they smacked of minding other countries' business, were immediately frowned on or censured.

In October 1937, President Roosevelt gave a speech in Chicago, calling for the world's peaceful nations to come together and quarantine the aggressor forces, in order to prevent aggression from being spread further abroad. We were then holding the Japanese at Shanghai with all our might, and so were greatly heartened by the farsighted President's words. But American opinion was sorely annoyed. The reason for the annoyance was that, as America's power was considered inadequate to police the world, she was under no obligation to undertake any such quixotic adventure for others. These sentiments were fully expressed in Congress in heated debates and pointed criticisms. Consequently, the President had to desist from doing anything and kept quiet.

About two years later, in July 1939, when the enemy's sinister plot to absorb Asia had become as plain as daylight, the United States notified Japan of her intention to terminate the commercial treaty between them. Six months later the annulment became a fact. With that event, we had hoped, would come real economic sanctions against our enemy. But actually, only after much further waiting, the export of aviation gasoline came under special permit, which was meant as a hindrance to him. After yet another period, certain kinds of scrap iron and steel were forbidden to be shipped to Asia. But the embargo did not bring the desired results except that of displeasing the Japanese, for they could buy any amount of crude oil and pig iron and steel ingots in the American

market and bring them home. Even scrap iron could still be purchased by them through many channels to be shipped first to Central or South American ports and then reshipped to Japan to feed their war industries. To be brief, the anxiety of the United States for the first three years or so was to avoid conflict with our enemy.

As regards Britain, her policy, guided by Mr. Neville Chamberlain, was directed toward appeasement of Japan no less than of Germany. After we had fought a year, the silver bullion deposited in the Bank of China vaults, as well as our beloved patriots incarcerated in the British Concession at Tientsin, were both handed over by the British authorities to the enemy. There was little excuse for such acts.

After Chamberlain resigned and the British Government was led by Mr. Winston Churchill, the Burma Road was closed for a vital three months under Japanese pressure. At the same time Britain announced that it was hoped the Sino-Japanese dispute would be settled within that period. Did the British Government believe that a nation of 450,000,000, after fighting for four years, would lay down arms before the invader had been completely defeated and driven in headlong flight from the fatherland? The feeling of our people against Britain was very bitter indeed. But on reflection, if we had been in her shoes, we might have felt that Britain, too, had her point of view. The Battle of Britain was raging, and the Nazis were hurling down by day and by night death and destruction from the skies to subdue her. While engaged in that life-and-death struggle, the British were naturally unable to stand the threats of war with Japan in the Far East. Therefore, we should not blame her too much for her failure to assume a stronger attitude toward the Japanese.

According to international practice, a country's behavior in international dealings is dictated by her current interests. But Soviet Russia and the United States, having contributed something in greater or less measure to our national resistance, can be said to have been motivated to a greater extent by the sense of justice. The fundamental truth is that we were fighting for the democratic countries against a common foe. Without dispatching a soldier or firing a shot, they were hitting him full in the face with our hands, so to be sure they were glad to help us. This help, while based on enlightened

self-interest on their part, was, however, a valuable thing to us and to be appreciated.

There are, strangely, people who view friendly help with misgivings. They think that since we fought for those years all alone, we have won immortal glory already; and, moreover, there would be the ultimate victory to crown our efforts. If capitalistic Britain and America come to help us win the war, it is argued, it will amount to our fighting these years for their sake, which means the blood of our heroes has been shed for other than the national cause. This is a misapprehension. The historic lesson should not be lost on us. During wartime, a country, whatever its political credo, should never refuse outside help. It is true we are fighting for our own existence, but at the same time we are equally fighting for the very life of world peace and justice, with which our friends are deeply concerned. Therefore, we should welcome Soviet Russia, America, and Britain, joining in a common effort to safeguard world freedom against the common enemy.

2.

The one thing we can do now is to prosecute the war with all we have until victory is achieved. That alone can give us any future, and a glorious one at that; without it, extinction. Economic construction, especially the building up of heavy industries, can have victory as its sole basis. If we cannot forge ahead and increase the output of our basic minerals, metals, fibers, chemicals, oil, etc., by hundredfolds, there can be no construction to speak of.

Machineries for smelting iron and making steel must be imported. According to reliable sources, the top transportation capacity of the Burma Road and the Northwestern Highway cannot reach 200,000 tons a year. That means equipment indispensable for setting up blast furnaces and rolling mills simply cannot be moved in, for these two highways must be used today for supplying us with arms, which are more urgently needed. When victory is ours and the sea lanes and our ports are wide open, the equipment for economic construction can be obtained from abroad. Big strides should be taken by us then, for before long we may be compelled to face another treacherous assault of enormous dimensions. If the enemy's navy is left afloat, the establishment of our heavy

industries should be speeded up to a finish within the first five years.

More than ten years ago, when the government was in Nanking, we might have been farsighted enough to have set up heavy industries in the interior instead of doing nothing about it. What there was of industry was all on a small scale. They were scattered along the coast, and our retreat from Shanghai and westward along the Yangtze stripped us bare of even the pitiful mite of industry we did possess. The provincial authorities of Kwangtung before this war built up arsenals, ordnance foundries, cement factories, sugar refineries, and paper mills in the suburbs of Canton; when that city fell, all those were lost. Our past lack of planning and foresight should be a hard-earned warning to us in the future. Time passes, never to return. When, luckily, the chance comes again, we ought to make the most of it.

Postwar large-scale economic construction should, and can only, be carried out by the state. Private enterprise can never hope to accomplish such a huge job within a short period. We will not be allowed to muddle through the process in a leisurely and haphazard manner for half a century or more. The enemy started his career of brutal conquest because he wanted to prevent our development. He intended that, before we had time to commence, China should be turned into a colony for good and all. We must decidedly do whatever we can now, and as soon as time is ripe go in for a full-blasted start, and push on for the fulfillment of our plan with break-neck speed. Only so can we have things done in time to anticipate and forestall any future emergency which may beset us.

3.

Nation-wide economic construction, especially the founding of heavy industries, cannot be carried out today due to obstacles in transportation. But the building up of political systems could and should be greatly accelerated. *San-Min-Chu-I* aims at the building up of a state and the establishing of a government of, by, and for the people. For fully thirty years since the downfall of the Manchu Empire, we have made little real progress to make the Republic worthy of its name. It is about time for us to hasten to pay our long-over-

due debt to the nation, particularly now that we have come to appreciate in this war how precious and desirable is the way of life we call democracy.

The fundamental system of our future political make-up is the institution of local self-government—that is, to have local affairs run directly by the people themselves. At present, we have only bureaucratic administration. The governors of provinces are appointed by the Central Government; the administrators of the *hsien*, as well as mayors of cities, are sent by the provincial governments. Everything goes from the top downward, since the people are incapable of organizing themselves to take care of their own well-being. As if bound hand and foot, they are powerless; incohesive as a tray of loose sand, they cannot initiate and participate in important public acts.

For instituting local self-government there should, of course, be definite stages; but we should move forward in a practical manner rather than strive to attain the ideal right away. It is not necessary, though highly desirable, to have the people all literate in order to exercise their popular rights, since even though we have enough schools, there would be a lack of teachers to do it all at once. In the case of election, for instance, the “official” promoters of local self-government should give the people a chance to try their hand and thus make the thing really popular. Such constructive steps in the political development of the country can be done immediately without further waiting for the end of the war.

Besides elementary political tutelage, the development of co-operatives and mass education to wipe out illiteracy should be speeded up. Anything that can be done without the use of unobtainable industrial equipment and plant machinery should be instantly put to work, so as to make a flying start for orderly political and economic life when victory comes.

4.

Tomorrow's economic construction, with basic heavy industries for national defense at the head, might be carried out with two five-year plans. As I have said elsewhere, our post-war economy should not be exclusively agricultural, for a purely agricultural economy such as we have now will never make us a rich country. We must intensify industrialization.

Only industries can develop a country's latent power. Farming alone can barely supply the people with subsistence. This has been our experience for centuries.

On the other hand, in a well-industrialized country, with 20 people out of every 100 in the population working on farms, the other 80 can be as well amply supplied with food and clothing. They are thus free to elevate the cultural level, increase the power, and add to the wealth of the nation. In our case, 80 per cent of our population are farmers, yet they cannot produce enough to feed the nation, least of all themselves.

But to industrialize does not mean to neglect farming; quite the reverse. It should be improved and made more efficient, though the relative value and importance it occupies in the total production of the nation may be considerably reduced. The population of the entire world of 2,000,000,000 is now, we are told, sustained by the products of only 12 per cent of the world's total land surface. Recently, America and Soviet Russia, especially the former, have been employing scientific methods to increase crops. With systematic and widespread improvement of farming processes, the world's population can be doubled without having to increase the acreage of the world's arable lands. In that case, by a similar modernization in our farming, the general use of chemical fertilizers as well as through mechanization, we can sustain a population of 900,000,000 in China.

Our young people should not be led astray by the mistaken notion that, since China's poverty is due to overpopulation, it is their duty to promote and practice birth control. The premise is utterly unfounded, as the conclusion is fallacious. As a result of encouraging births, Soviet Russia has in recent years increased her population to 193,000,000, her annual increase being 3,000,000 and more. That means that after three generations, or less than one hundred years, they will have 600,000,000. The Germans are also setting spurs to their procreation. Hitler plans to have Germany's Nordic population rise to 250,000,000 after seventy or eighty years, so as to enable his Nazidom to maintain numerical supremacy in Europe. If our numbers remain stationary, we are likely to fall back and take a third or even fourth place in the world by the end of the present century.

5.

In the first postwar decade, the productive power created by our industrialization should at least catch up with Japan's peak during the war. The output of steel must be increased to at least 4,000,000 to 5,000,000 tons a year; other metals and materials should be produced in quantities called for by the level of production. Mass production with the best machinery and by the latest technical processes could bring forth results ten times greater than our present effort. Only then will we be able to expand the wealth and defensive might of the nation against the recurrence of any emergency which we may have to meet again.

It would be sheer folly to think that there is going to be perpetual peace when the guns cease to roar and the echoes of the bomb crashes die away. We have learned enough during these two decades to warn us of such sophistry. After the first great war, America made up her mind never to take part in fighting in other parts of the world; when the present orgy of force was begun in Europe the Americans began to look to their arms production. From Hitler's ascendancy to power in 1933 up to the opening of hostilities in 1939, Germany worked day and night preparing for revenge. France, curling up to sleep in her air-conditioned Maginot caverns, was only half ready for waging a war of the type of the last war; she was quickly beaten. Britain had not prepared for war at all. When war seemed unavoidable, Chamberlain had to "bring along goblets, asking for enlightenment" from Hitler. And we ourselves—what did we do between Mukden and Lukou-chiao?

6.

For our postwar national defense, first of all, we should have a first-class army. It is true that the enemy has learned a lesson from us. But, pig-headed as the Japanese are, they will in all likelihood come back to be taught again. Next time, our army should be much stronger than theirs, not merely in numbers, but also in training and physique. By carrying out the conscription law to the strict letter, to have a million men a year under military training should not be a hard thing, as our source of manpower is almost inexhaustible. In the past, because we had a poor recruiting system and our local ad-

ministrative machinery was sadly inefficient, we could not have millions of soldiers ready at hand as soon as the call to the colors was given.

If we become a first-class land power five years after victory, there might be no necessity for us to fight again. By that time, Japan will have to think twice before embarking on such a venture. Japan attacked us lightheartedly simply because she held us in utter contempt, seeing we had virtually no national defense.

The experience of Soviet Russia may be taken for further illustration. For twenty years, no country has dared to do her injury. France and Soviet Russia were originally bound by a mutual-help pact, but the document was thrown into the wastepaper basket by Daladier, then in power, and France has cause to regret this short-sighted policy. Soviet Russia has become a weighty factor in power politics; many are trying to win her good grace. Why? Because her national defense is well set up. If we want to maintain peace in the future, we must have arms to guard that peace.

Between 1919 and 1928 the greatest air power was France. Wallowing in luxury and ease and paralyzed by petty internal politics, the French slowed down on their efforts and thereby gave up their position as the dominant power in Europe. In 1939 Germany produced 3,000 aircraft a month, against France's 80 and Britain's 200. That is one of the chief reasons why Hitler was so bold.

We cannot hope to be a first-class air power within a few years after the war, for that presupposes a highly developed industrial basis plus meticulous technical and designing skill. But we definitely should strive for second rank. If we could reach our aim, we need no longer fear Japan. Neither can we build up a formidable navy in five or ten years. However, when a country can take first place in any one of the three arms, i.e. land, sea, and air, she can be counted a strong power. China must have an army of the very first order supported by an air force of some weight in order to safeguard the nation's independence.

7.

If Britain and America want to maintain their position in the Far East, they will have to give us positive, unstinted help.

But foreign aid can come only in the form of military armaments and aircraft. For competent men to man these arms and, what is more important, to undertake the burden of the postwar political and economic reconstruction and guiding our people's work into ordered channels, we have to depend upon ourselves. Consequently, a properly trained personnel and efficient organization are vital.

Here education and technical training come in to play their essential parts. Our present higher education enrollment weeds out eight students for every one it takes in. It is a pity those eight are denied the chance to better themselves for serving the country. Taking our whole population into consideration, we should have one out of every five persons a pupil, from the kindergartens up to the university graduate schools. College students should number about a million at all times. Our present enrollment in universities, colleges, and technical schools together is only about 50,000; it would have to be multiplied ten to twenty times to meet postwar needs. There ought to be no fear of unemployment after graduation. Certainly, if there were to be no future for our country, it would be quite different. But in the promising dawn of revival and progress, such a fear is groundless. When national reconstruction is in full swing, communication, transportation, industry and agriculture will also require millions of trained men and women.

Soviet Russia's collective and co-operative farms, being located on the great plain, are all cultivated with machines, using some 600 thousand tractors. When I paid my last visit to Russia, I saw them training 200,000 women tractor drivers. The U. S. S. R.'s population is less than half of ours; our urgent need of workers in the future must be more than double that of Soviet Russia.

Above all, we will require skilled and highly intelligent workers. These can be trained and educated in higher seats of learning only. Our national funds for education must be enlarged by tens and scores of times. We are going to build schools, more and a great many more of them.

Youths in colleges and universities! The country is looking forward to your serving her tomorrow. You are going to be the pillars of the new China. It is up to you to bring her up to a par with America and Soviet Russia in ten to twenty

years; and then she too will be powerful enough to say a deciding word for world peace whenever the occasion arises. I hope to live long enough to be a witness of your success, for it will mean the successful outcome of the nation's efforts to transform our country into a modern state. All of you must have read the history of our 1911 Revolution when the Manchu Dynasty was terminated. The events which took place then may seem remote to you, but to those of our old comrades who participated in the Revolution, they seem only yesterday. Time passes, waiting for nobody. Ten years or twenty for the construction of a full-fledged modern state out of the ruins of the past and the ashes of this war—how inadequate, how short, they are! All the more reason why you young people must, therefore, strive resolutely to catch up with time, and do your part toward the creation and safeguarding of a great future for China!

19

STATE CONSTRUCTION AMID WAR *

1.

THE HERCULEAN TASKS of national resistance and state construction which in 1937 we set out to perform may be taken in two different senses. They may be regarded either as two separable tasks to be carried on simultaneously and in conjunction with each other, or as one integral whole with the former playing the part of the means and the latter that of the end. In our great hinterland up to the very fringes of the war front, people have been busy discussing these alternative interpretations. Not infrequently new constructive measures have been started in different places. After a close scrutiny of these, we come to the conclusion that a good deal of the labor has been misspent, for many have failed to un-

* From a speech delivered before the Central Executive Committee of the Kuomintang at the Sun Yat-sen Memorial Service, in Chungking, February 24, 1941.

derstand properly what reconstruction should be done in the midst of resistance. The limitations imposed by time and space have not been properly taken into consideration. Many an undertaking that is impossible to accomplish in wartime has been foolhardily begun, or that which is unnecessary at this juncture has been pushed with blind ardor, while what can and should be done is altogether forgotten or ignored and thus left untouched.

It seems to me that what is of fundamental importance and within our power to carry out is the establishment of political and economic systems based upon the people's direct interests. To be explicit, politically, local self-government must be introduced and completely established throughout the land; economically, an all-embracing system of people's co-operatives ought to be set up. These two institutions form the foundation of state construction, which may be regarded as the two elemental engines of the nation. We need not depend on outside help to realize them; they demand no material support or physical force for coming into being; our own concerted and concentrated efforts are all they require.

According to the guiding principles of Dr. Sun Yat-sen, to achieve democracy for the nation, local self-government as laid down by him should be the basic condition of all other political activities. When all internal obstacles are overcome and the military phase of the Revolution draws to an end, the government should immediately put that into execution, as it is our chief task in the period of political tutelage. Unfortunately, since we set up our government in Nanking, circumstances have arisen to interfere with the progress of the plan. Actually, however, it is because we did not strive hard enough that we have not methodically brought forward the graduated scheme left us by the late leader and seen it through in the stipulated time. In fact, democratic government has been given no impetus to start with, and the political network of the nation is left incomplete and unfinished. Local self-government promises to rid the various grades of territorial administration of their present evil—government by bureaucrats. Our local political machines are now inefficient, measures vital to the nation are left in a muddle, simply because the local populace are not actively participating in public affairs.

A few years ago, Chairman Kalinin of the Russian Supreme Soviet drew an apt distinction, in his address to local Soviet administrators, between a bureaucratic and a revolutionary government. The former, he said, is merely order-giving politics: the official bureaus regardless of whether the people understand the new political and administrative measures or whether they are able to do what is asked of them, simply give orders and issue proclamations. As the people know nothing of the matters in question, they play a purely passive role; they either do not pay any heed or they make the appearance of complying. Finally, a police force may have to be applied, with much trouble and no desirable results. Revolutionary government adopts a different method. Before the governmental organs give orders, the people's own political bodies are first charged to acquaint the public of the proposals; all and sundry have the opportunity to study and discuss them; and in the end, when it is quite clear to everybody that the measures soon to be introduced are closely wedded to the common weal, the relevant orders are given. As the people have no more doubts and misunderstandings, there are naturally no obstructions and indifference.

Democratic government is revolutionary in nature. It requires the people actively to manage their own affairs. If the local populace of the township or village feel any need to start something good and new or terminate certain old practices contrary to local interests, their institution or abolition can be effected on the spot summarily. Whenever the will of the whole nation tends in certain directions, as expressed in the orders of the Central Government, which is guided and checked by the People's Assembly, the public of the various localities, fortified by previous understanding and consequent willingness, will help back up those orders with justice and firmness. We want to speed up to fruition such a basic system of popular rights right now. This organization of local self-government will not only be an effective tool for mobilizing nation-wide manpower to carry out a grand material reconstruction after victory; but will also form, while this war is going on, a smooth channel for the successful administration

of conscription, levying of direct taxes, rationing and public sale of food, and similar public measures.

Our political efficiency is low when compared to that of the more advanced nations. The chief cause is the deficiency mentioned above. The nation's public life today may be likened to a power plant fitted with a high-voltage dynamo but no suitable transformer and transmission line. Though good laws and new rulings are plenty, they are not widely applicable because something vital is missing.

The duty of guiding the people to attain self-government rests with the Kuomintang. We as its members should, with resolute will and clear knowledge of the method, lead them forward in sure, quick steps. Much invaluable time has been wasted by us; it is high time that we should take up seriously our long-postponed missions.

The detailed process for *hsien* self-government has been well formulated after long legislative discussions. We must see to it that it is enforced all over the country before the end of the war, in order that our peacetime reconstruction will have a handy instrument to use. Otherwise, state power, instead of being based upon the whole people, will have to rely on the armed forces, the government, and some few party members for its support; in other words, the state would be based on a small minority, a dangerous thing for the future of the nation.

I have another point to add. In our helping the people to develop local self-government, expedient methods may be resorted to, for these are not normal, peaceful times. With the country in great peril, there is no more time for us to waste. We ought not to proceed perfunctorily and indiscriminately by requiring all the people to liquidate illiteracy. They should be given a chance to learn by practice. It has been well said by the present party leader, Generalissimo Chiang Kai-shek, that the final stage of constitutional government may begin before the intermediate period of political tutelage comes to a close. Local self-government is exactly what we should expedite, so as to let the people learn to exercise their popular rights by trial and error during this transition between the two stages.

Next, the establishment of the economic system of the co-operatives. In his lectures on the principles of People's Livelihood, the Father of the Republic emphasized the co-operative movement with a view to improving the system of consumption and to introduce socialized distribution. What we advocate now is to build up a new national economic system by an extensive application of the principles and methods of co-operation.

This elemental economic engine, like its political counterpart, should be set up by the people themselves and for their own interests. The common folk should make use of it to satisfy their daily demands fully and liberally, while the state does the same to develop its own or the nation's collective wealth. With these two mighty engines, the state can do miracles; its resources and power will be infinitely expanded.

The country where the co-operative movement flourishes best and is employed for socialist construction is Soviet Russia. Since 1921 the institution has been extensively applied throughout the length and breadth of the country to develop national production and improve the people's standard of living. At present, it forms, together with the state-owned enterprises, the warp and woof of the Russian economic texture. On the production side, there are the village co-operative collective farms and the minor industry and handicraft co-operatives. In consumption, virtually all daily needs of the people are supplied, and even the workers' residences in towns and cities are built by the co-operatives. The Soviet people have two kinds of common properties, national and public, respectively under state and co-operative management.

If the party wishes to install during wartime this new economic system in conformity with *Min-Seng-Chu-I*, bold determination, swift methods and positive action should make it a success. We regard this as one of the two main tasks the party should be responsible for at this moment. All party members, irrespective of whether or not they are directly taking charge of party affairs, will have to work as one to realize it. Before the coming of victory and peace, co-operatives ought to be duly distributed in cities, towns, and

rural districts. Both production and distribution types should be equally stressed.

In the case of production, farm co-operatives will, for instance, help the tillers to improve their implements, seeds, and fertilizers. Small land holders and tenant farmers, being unable to buy new implements, should be supplied with these by the co-operatives for common use. Transport-and-sales co-operatives are also urgently necessary at present on account of the difficulties in moving the farm products to cities and towns; besides, they yield more profits to the farmers, since the middlemen class, consisting of a chain of merchants, is eliminated, while the city and town consumers can get their goods cheaper. Produce-and-sales co-operatives possess the merit, among others, of improving and standardizing farm products; as these are sent to the market by the farmers themselves, better and uniform qualities have to be maintained in their own interest.

Rural-produce co-operatives should also handle products of the farmers' home industries and handicrafts. Our countryside is now gripped by the evils of financial stringency and usurious interest rates. Rural credit co-operatives are thus indispensable in giving low-interest loans to the farmers and helping to drive out the money-lender sharks. Furthermore, welfare co-operatives like health and life insurance co-operatives, and those for mutual aid in getting medical services and supplies—all these, for especial protection of the poorer people, the farmers as well as the city workers, should be promptly attended to so as to make up whatever omissions the government measures leave, for the time being, in their wake.

Finally, the thorough application of the co-operative system to the nation's economy has an additional advantage to those of enriching the people's material life and offering the state a mighty engine for increasing national wealth. Habits formed by continual contacts will tend to heighten the people's public spirit, draw together their divergent interests, banish narrow egoism and selfish individualism, and foster in the people collective habits for a wholesome communal life.

If we want to set up these two kinds of popular organs of the people, masses of workers having faith in *San-Min-Chu-I* and high executive abilities will have to be mobilized. Myriads of executives cannot be trained on short notice; personnel turned out from the short-term training centers are insufficient to serve the purpose. The co-operatives alone in one province would amount to several thousand units; for nation-wide service, some 200,000 to 300,000 men would be required. For meeting this emergency, all local party members should tackle these two jobs seriously and with revolutionary ardor, finishing them within three years. By thus doing their duty to *San-Min-Chu-I*, they would not only lay a concrete base for postwar reconstruction, but also revive the progressive spirit of the party and thus restore the people's confidence in them.

Among party members who are not participating in party activities, there is the mistaken idea that they are not closely concerned with it. Party workers, those receiving maintenance pay for their work, oftentimes are unable to get into touch with the nonworker members and therefore fail notoriously in the performance of their tasks. Party headquarters thus become the *yamen* of idlers. This is a sign of decadence; if it were to go on unchanged, the Party would fulfill no useful function at all.

How does the danger come into being? It is because the Party members are not assigned definite, well-planned work to perform, so that they forget their heavy responsibilities to the nation. Whatever party activities have been pursued these few years are miscellaneous and trite; there are no annual plans with centers of gravity. If the establishment of the two aforesaid systems is to be taken up by the party Central Committee in earnest, party members would then have a definite plan of action to keep them busy for the next few years. This would solve the problems of the party crisis mentioned above. Anticipating the great work of state construction before us in the postwar era of our country, we must consistently forge ahead toward the goal of catching up with, if not surpassing, the advanced states in the world today. Only thus will we be able to safeguard the victory that will be ours.

DANGEROUS THOUGHTS ON POSTWAR PROBLEMS *

1.

WHEN THE PRESENT WAR comes to an end, people of all countries, be they of the United Nations or of the enemy states, will have learned a bitter lesson. They will think of ways and means to establish a permanent peace. While the war is still going on in full swing and final victory yet to come, intellectual leaders in the United Nations have already realized the importance of studying postwar problems. We may recall that at the end of 1918, when the first world war so suddenly came to a close, the victorious powers were caught unprepared for the peace. Such a dilemma must not happen again.

It must be admitted that, although the last world war was won by the allied nations, they nevertheless failed to make a lasting peace. The reason for this is not difficult to seek. The responsible statesmen who directed national policy and the intellectual leaders who led the trend of thought then committed a grave mistake; so with the peace settlement also came the causes for another war. And what was the mistake they had committed? It was that their proposals for postwar settlement were contrary to the fundamental principles of equality and justice. If we should fail to reach a just settlement again after this war, then the causes of a third world war will not have been eliminated. If we were not firmly resolved to rectify the mistakes committed in the past, then the future of the world would be very, very dark indeed. Another war more deadly than the present one would become inevitable twenty or thirty years hence.

2.

Some months ago, I have been told, a professor in one of the American universities wrote an article on postwar Chinese problems which was published in a leading American magazine. In the article, the professor advocated that

* From an article published in the Chinese Press, Chungking, January 1, 1943.

the four northeastern provinces, now under Japanese occupation, should be given to the Soviet Union after the war. I do not know on what grounds the author bases his opinion, but it is safe to say that this kind of proposal is utterly against the principles of fair play and justice. This is what I call dangerous thought. If it should be carried into effect, therein would lie the causes for another world war.

China is the first great power who took up arms to fight against Fascist aggression. The northeastern provinces are Chinese, just as the Pacific northwestern states are American. Since the Japanese occupation of our northeastern provinces, they have made it a base for further threats and aggression against the people and government of China. In order to maintain our national integrity and existence, we had to resort to armed resistance against Japanese aggression. If the anti-aggression nations should succeed in defeating Japan thereby achieving final victory, and China were not given back her territories that were once under enemy occupation, then what meaning would there be for the heroic sacrifices the Chinese people have been making? Such proposals as the one mentioned above utterly disregard the national interest of China and run counter to the patriotic aspirations and just demands of the Chinese people.

It can be reasonably assumed that such unreasonable proposals would not be approved by thoughtful leaders in the United Nations, nor would our great friend, the Soviet Union care to give the slightest attention to it. Yet the fact that such a proposal should see light at all at a time like this is clear indication that confusion of thought on postwar problems still exists.

3.

In August 1942 a supplement was issued by the American magazine *Fortune*, in which there was published a memorandum on postwar peace settlement under the joint auspices of *Time*, *Life*, and *Fortune*. The second part of the memorandum deals with Pacific problems, particularly on problems of American policy toward the Far East. There are two points mentioned in the memorandum which are quite interesting and from the point of view of justice and fair play, may be uncalled for. The first of these two points is that a new state

be created in southeastern Asia, to be known as "Indonesia," which is to include Thailand, British Malaya, the Netherlands East Indies, and Portuguese Timor. My feeling is, if a new state should be created at all, it would be more logical to include only British Malaya, the Netherlands East Indies, and Portuguese Timor; for the majority of people in this area is Malayan by blood and according to principles of nationalism, they should form a national state. But, with Thailand, it is altogether different. Thailand is historically, culturally, and racially different from the Malaysians. She has long been an independent country. Although she has now bent herself to Japanese aggression, she did so primarily because she was not in a position to resist. In our discussions on post-war world reconstruction, we should never attempt to destroy those independent states which have already been in existence and try to incorporate them arbitrarily into something that is new. If this proposal of incorporating Thailand into this new "Indonesia" should be put into effect, then the day when this new state is born, there would also be sown the seeds of internal conflict. Civil strife in the new state will disturb and endanger the tranquillity and security of southeastern Asia. To incorporate Thailand into this new "Indonesia" is, therefore, against reason, justice, and the interests of future peace.

Another point worth noting is the proposal, in section IV of the memorandum, to establish a trans-Pacific defense belt, which is to be under the administration of an international body. The belt extends southwestward from Hawaii, through Midway, Wake, and Guam, to include the Marshall, Caroline and Marianas groups of islands, now under Japanese rule by virtue of the League of Nations' mandate and which should be under the control of the United Nations after the war, the Bonin and Ryukyu groups and Formosa. It further proposes that Formosa should be the terminus of the United Nations' air fleet, and the island should be placed under international administration. The proposal also suggests that Formosa should not be restored to China, nor should the Formosans be given the right to vote themselves into the Republic of China, though in tariff and monetary matters Formosa should be included in the Chinese system.

That the proposal is against the principle of justice and

international fair play goes without saying. Formosa was originally a part of China. It was only after the conclusion of the Sino-Japanese war in 1895 that Japan took possession of the island. When final victory comes, China should recover from Japan all that she had taken away from her forcibly in the past fifty years; and Formosa, being of such importance to China should naturally be given back to her. Moreover, the people of Formosa are predominantly Chinese by blood. They would naturally hope to be reunited with the motherland.*

Those who propose this scheme of an international defense belt have in mind the objective of keeping a strict watch over Japan in the future. If this should be the case, I do not see any reason why Formosa should not be restored to China instead of being under international control. Formosa can fulfill that mission as well without being detached from China. If in the minds of those who propose this scheme there is a suspicion against China, thinking that the postwar China would be a threat to the southern Pacific, and to forestall that event, make Formosa an air base from which they could dominate China and the China Coast, then the lack of confidence in China as being a peaceful nation is in itself a clear sign of danger.

I have pointed out at random two or three examples of the so-called dangerous thought on postwar world reconstruction now current abroad. It is hoped that intellectual leaders in the United States will take note of these utterances and rectify the impressions created by the proposals. It is further hoped that this kind of erroneous views may not see light again, so as to eliminate causes for friction and war.

I wish also to point out to our friends in the United States that China, being a *San-Min-Chu-I* republic, will never entertain any ideas of aggression; but she insists on recovering Formosa and the northeastern provinces, which were and should be hers. China strives only for the full realization of her revolutionary aims, which are none other than national liberation and independence. China only hopes that there will be an equitable and just peace, and when once that set-

* It was agreed at the Cairo Conference that Formosa should be reunited with China.—Ed.

tlement is reached, causes for future wars may be eliminated and mankind may live in peace and in the pursuit of happiness.

21

MANCHURIA AFTER THE WAR *

1.

HOWEVER REMOTE the end of the war may be, it is necessary that we plan out beforehand steps to take when the day comes for the restoration of our Northeast (Manchuria). We shall be able then not only to carry out measures for the rehabilitation of these four provinces, but at the same time lay definite plans for the building up of a new land of prosperity and happiness.

We are first confronted with the question of possible ways to effect the redemption and deliverance of the Northeast. Let us start with an assumption. If we had had to wage the war alone, as we did in the first four and a half years, and to terminate it prior to the emergence of the United Nations war front, how could this Sino-Japanese conflict end? There could be only two possibilities.

First, direct negotiation for peace. This implies that both belligerents, being exhausted and no longer desirous of continuing the war further, would agree to an armistice and start negotiations. Under the circumstances, since we would have won no conclusive victory, the result of such negotiations would have precluded the recovery of the Northeast.

Secondly, mediation by a third power. This means that the two parties, utterly worn out in fighting, accept the intervention of a friendly power to cease hostilities and enter into a negotiated peace. This event would also have resulted in our failure to redeem the lost provinces.

The lesson to be drawn from the above assumption is:

* From a speech delivered on the eleventh anniversary of the Mukden outrage, when Japan attacked and seized Manchuria, before a meeting of the Patriotic Association of the Four Northeastern Provinces, Chungking, September 17, 1942.

since by our own strength alone we cannot bring the enemy to total defeat, to end the war by an inconclusive peace alone with him would mean for us losing the war and the loss of everything we have been fighting for these many years.

But the enemy has run amok and attacked Britain, America, and other countries, and has thus brought on himself the great war on the Pacific. Since that day, we are no longer fighting alone. The Sino-Japanese conflict has merged into the World War of the United Nations against the Axis aggressors. Thus the objective conditions for the hypothesis mentioned no longer existed. No more is there the possibility for this war to end in a negotiated peace between China alone and Japan. It can and will end only in the utter defeat of the common enemy. I am therefore more sanguine than ever of our ultimate complete recovery of the lost northeast provinces.

There is, however, one point which needs our constant vigilance and persistent stressing. That is, the United Nations will have to make up their mind never to accept a compromise in the midst of the war. This resolution must become stronger as the war is intensified and victory still eludes us. However long the war may last, whatever cost in blood and treasure it may demand of us, the travail must be borne ungrudgingly until final victory. If there be the least wavering or should the recognition of the situation be not clear-sighted on the part of the United Nations, the enemy, when he reaches a certain point in the war and sees no further advantage in its continuance, would most likely start a peace offensive to lure our allies and even ourselves into the trap of a negotiated peace with him. Such a probability is no mere bugbear. Germany has already made several peace attempts. We, too, have had many such experiences in the last five years, and we therefore know better than others what the cunning enemy may do with his treacherous intrigues and artful stratagems. Our watchword must be constant vigilance.

What can we do to strengthen the resolution of the allies to fight Japan until she surrenders? We can, I think, contribute much toward victory by hardening ourselves to the tasks before us, bearing greater and heavier sacrifices in the war effort than we have borne up to now. We must by deed and example show our allies that we are very determined

indeed to go through with it to the end, that we will never be weary of the war until the common enemy is finally crushed and absolute and total victory is ours.

That only fighting this war to a finish with the greatest determination will enable us to recover our lost provinces is now obvious to all of us. But this will involve still heavier sacrifices and more difficulties. Already not a few of our people living in the rear of the battle fronts are showing signs of war-weariness. We must tell them that certainly conditions are becoming more difficult, but this is to be expected in time of war in any country. Sacrifices and sufferings are the price we have to pay for national freedom. What we in the rear are going through is nothing when compared to what our heroic fighters are daily undergoing on the front lines of battle. They have given and are still giving their own lives so that the nation may survive. Yet we have not heard of any complaints, any whining from them. Beside the valor and gallantry of those million of soldiers, our very kith and kin, what are our trifling discomforts and petty sufferings worth? If we will turn our thoughts thus, no sacrifice however painful and no calamity however terrible can chill our courage or sodden our spirit. With such moral strength we can carry on as long as it is necessary, without ever admitting defeat or accepting a compromise. Who in the world, then, can force us to lay down arms? With such indomitable resolution on our part, our allies of the United Nations cannot but be likewise resolved. As a consequence, ultimate victory will be assured us, and along with it, the recovery of the lost Northeast will come as a matter of course.

2.

Now let us consider our war situation and see how this objective may be attained. Take the case of continental China first. Suppose we want to liberate the occupied areas in central, south, and north China and the important cities and ports on the Yangtse and along the coast extending through more than ten provinces. We shall have to employ adequate military forces because, unlike the situation obtaining during the past five years, when we could only have the enemy bogged down in the quagmire, large-scale offensive operations will be called for this time, so as to throw him out once

for all. Flank attacks with which we succeeded in driving back the enemy in the battles of Chekiang and Kiangsi will not serve our present purpose. We have to use plenty of heavy arms and equipment to launch serious frontal assaults on the enemy. For only with such attacks will it be possible to destroy his troops and win decisive victories. The strategy and tactics we have been employing are aimed at gaining time to get large supplies of modern arms and munitions with which to equip our armies for the final offensives. We must demand from our allies an adequate supply of such means to enable us to handle the enemy on the mainland of Asia.

The enemy's naval and aerial power is in decline while that of the United Nations is growing mightier every day.

The enemy may crack up within the next two years. His Navy will be destroyed by America. When his sea lanes are cut, he will have practically lost the war. His occupation troops on our mainland will then have to pack up and clear out the best way they can manage. The order of his prospective retreat and ultimate flight will be something like the following: first, evacuation of the Dutch East Indies, the Philippines, Burma, Malaya, Thailand, and Indo-China; next, withdrawing from south China, from the Yangtse Valley, beginning with Ichang in the west, Yochow, the Wuhan cities, Kiukiang, Nanchang, down to Nanking and Shanghai on the east coast, and then from the north China areas; finally, he will have to give up even our northeastern provinces. If he would not let go the last, then we are sure to throw him out, bag and baggage. Our own Northeast then, lost to us now for eleven years, will be finally and unconditionally recovered.

3.

After Manchuria is liberated and recovered, some urgent rehabilitation work will be immediately needed. For the past eleven years hundreds of thousands of the enemy's troops have occupied and ravaged the land, and a gang of detestable traitors have aided the hated enemy in the merciless but systematic exploitation and oppression of the inhabitants. To rehabilitate the land and to revive the political, economic, social, and cultural life of the people, as well as to reincorporate that vast area as a part of our reunited country, it is

most important to lay down a clear and definite policy. I therefore propose the following ten points for consideration.

1. Reinstitution of the provincial, *hsien*, and other local administrative organs as well as the whole order of law courts. The underlying principle for the resumption of Chinese national rule over the four provinces is to consolidate their structural unity with the Republic in order to prevent a recrudescence of the old habit of separatism and regionalism. The reinstituted national and local authorities must assume responsibility for the administration of all national laws and the execution of Central Government decrees. The Northeast is part and parcel of the Republic; it is not the private preserve of certain powerful individuals of a feudal frame of mind. Only with the eradication of separatism and regionalism can a strong, unified country be built up.

2. Enforcement of a system of national education and culture. This should be made to grow up and bloom in the common free clime of the mother country. The Nipponification of education that has been forced upon the country for the past dozen years is to be completely liquidated. The people, especially the younger generation, should be taught to realize that they are not the subjects in a Japanese colony, but free citizens of our great Republic. The slave-consciousness inculcated in their minds by school textbooks of the enemy must be thoroughly cleansed out.

3. Speedy preparation and early inauguration of local self-government. This by no means conflicts with my first point. National legislation has already provided a complete system of local self-government for the country. It calls for the institution of *pao* and village meetings, town and *hsien* councils, as local self-government bodies responsible for the administration of local affairs. When this system is in full function, the *pao* and village headman, the town mayor and the *hsien* administrator, will be elective public officials directly answerable to the local constituencies. This democratic system of popular self-government must be introduced the moment all enemy-occupied areas are liberated and recovered. It is true that, long under the tyrannic yoke of the enemy, the people in the Northeast will require time and much preparation before they can handle such local institutions with the

necessary aptitude and experience to make them function well.

4. The railways and communications services taken over from the enemy and puppet administrations must be restored to national control and operation, in conformity with national policy and national interest. Since the imposition of the puppet state "Manchukuo" by the enemy, all state services have been arbitrarily severed from the national system and became regionalized. These public-managed services must be restored to the national network and function as parts of the whole national system. This is positively required for political unity, national security, cultural integrity, as well as for postwar reconstruction. The enemy-owned South Manchuria Railway will have to be taken over by us as a state property and duly reorganized.

5. State ownership and management of industries and mines. All enemy and puppet-owned and -operated industries and mines, whether they be in the hands of enemy private interests or his government, must be resumed and declared state enterprises. Natural resources in the Northeast are affluent beyond estimation. Its coal and iron, soybeans and lumber, have long been leading items among the country's products. The South Manchuria Railway alone has developed and exploited a number of mines. Since the Mukden seizure in 1931, many enterprises have been built up by the enemy. Radio Tokio announced recently that total enemy investments in the four provinces have reached 17,000,000,000 *yen*. All these must be taken over and nationalized. Preparatory measures must be initiated now to carry this out when the time comes for us to take control.

6. Unification of banking and currency. All enemy and puppet banks will be liquidated. Currency notes issued by them will have to be recalled and exchanged for national legal tender notes. Enemy and puppet properties confiscated can be set aside to form a reserve fund for the redemption of their illegal currency. Such a measure will insure the people against heavy personal losses, which they would suffer should the puppet currency be declared illegal and repudiated outright. The thousands of millions of puppet currency represent nothing but the tangible wealth and purchasing power of the 35,000,000 of our countrymen scattered in the four

provinces. Confiscation and repudiation without compensation would mean penalizing our own people, robbing them of their possessions and the fruits of their labor. Should the assessed national currency worth of enemy and puppet properties prove deficient in meeting the full face value of the aggregate puppet note issue, the Central Bank of China will devise ways and means to deal with the situation.

7. When the enemy begins to withdraw, he must be served notice holding him strictly responsible for handing over intact all public and private enemy properties and installations, together with those of the puppet officialdom, to the proper military and civil authorities charged with their taking over. Any and every part thereof damaged, destroyed, or moved away by him, he must be held accountable for and made to fully indemnify, return, or restore to its original condition.

8. All enemy subjects who have emigrated to the four provinces, with the exception of those who sincerely wish to become Chinese citizens through naturalization, are to be repatriated to their homeland. In 1937 enemy population in the Northeast totaled 1,349,900. At present this number must have swollen to beyond 2,000,000. Repatriation of enemy subjects is a sound policy, for it forestalls later friction by preventing the rise of any national minority problem. The case of Koreans may be treated differently, for Korea will have by then recovered her independence, and Koreans living in Manchuria will no longer be willing to remain Japanese subjects.

9. All naturalized aliens, especially former enemy subjects, should be required to learn the Chinese language and speech within a reasonable time; their young folks must be regularly educated in public schools. Thus they can be made into useful and loyal citizens of the Republic.

10. The import and export trade of the Northeast, forming a large part of the nation's total, should conform to the national foreign trade policy. Although our future policy regarding international trade has not yet been finally determined, the prevalent wartime tendency is toward state control and state management, especially with reference to certain chief items of export. Already the export of rare metals like tin, antimony, and wolfram, and certain farm

products such as raw silk, *tung* oil and hog bristles, is a state monopoly. When this policy is followed after the war, the chief exports of Manchuria, soybeans and coal, for instance, may be declared state business. Whatever the future policy may be, the Northeast will have to operate within the national orbit.

4.

We now come to the discussion concerning the construction of a new Northeast. This subject may be taken up in four topics.

1. The *Min-Seng-Chu-I* policy of land nationalization should be carried out. This implies that the state will resume title to all lands through certain legal process. While the state owns all lands, the people may enjoy the rights of use and cultivation just as they are doing now, only they cannot buy and sell land as private property. Private parties wishing to put up factories, build houses, or engage in farming and cattle raising can apply to the state land bureau for the desired allotment. The tax-rents on farm lands could be fixed quite low to encourage self-cultivators. Yet state revenues collected from this source may be many times the current revenue from the present land tax. Unearned increment and rent as income from private landowning will be eliminated. Since users of land will not pay rent any more to private landlords, their burden will be considerably lightened. Both as a state-revenue measure and as a beneficial social policy, nationalization of land is therefore a desirable thing.

There is still another point. In China, from time immemorial, land has been regarded by the monied class as a form of investment and an object of security. As a result of this traditional practice, people who get rich by hook or crook would all invest a great part of their money in buying up land to create family estates. Money thus invested is practically wasted from both the national and social standpoints, because no new wealth is created by the landlord's act of putting his money in the land, while the ex-owner who has sold his holdings may use the money thus acquired for foolish and wholly unproductive purposes. With land nationalized, no longer an object for private trading and speculation, money formerly invested in land may be diverted to better

uses, such as going into development of new industries, or accumulating in savings institutions, or even being paid into the national treasury in exchange for government bonds, etc. This will have the effect of hastening the industrialization of the country as well as preventing or slowing down inflation.

2. Collective and co-operative farming should be introduced generally and organized in large-scale units where local conditions are favorable. Not only the traditional system of land tenure which still smacks of remnant feudalism, but also the antiquated and inefficient method of small-farm individual tilling should be abandoned, and in their places substituted state or common ownership of land and collective and co-operative cultivation. Small-scale individual family farming no doubt served its useful purpose in preindustrial days when there was practically no other productive employment for surplus manpower. But in an era of rapid industrial growth calling for more and more workers from their villages to enter factories, modern labor-saving methods need to be introduced in our agriculture in order to release the manpower required by industry. At the same time, farm production, especially in commercial and industrial crops, must be increased to feed the new demands created by national industrialization. To answer this twofold requirement in an adequate and even rapidly expanding measure, the best way out is through the introduction of the successfully proved system of large-scale collective farming after the Russian model. Only when innumerable small farms are joined into larger units can mechanization be successfully employed. Expensive farming machines like tractors and harvester-combines are beyond the reach of our small peasant farmers, not to say of their absolute uselessness in tiny patches of checkerboard size. An agrarian reformation has become necessary. Hence my insistence on the adoption of the collective and co-operative system of agriculture for the Northeast as well as other regions where local conditions permit.

In America, though there is no collectivization, modern farming with tractors and machines is widely practiced. Measured by the volume of crop production, American agriculture is outstandingly successful. Of her total population of some 130,000,000, only 7 per cent, or about 9,000,000 people, are engaged in agricultural pursuits. In China's case, out of an

estimated population of 450,000,000 probably 350,000,000 are dependent on farming for a livelihood. Whereas in America it takes only seven farm workers to produce food for 100 people, we still require 75 to 80 farmers to grow enough food for a like number. And yet the American Department of Agriculture thinks that the number of American farmers is still too many, and should be reduced to about 5,000,000 within the next ten years. How well this shows that by using labor-saving machines to carry on the work of man and beast, a tremendous reserve of manpower can be released from the farms for producing national wealth elsewhere!

3. Industrialization should be planned and nationally controlled. Of the various regions of China, the Northeast is most favored by nature to become a great industrial base. In the matter of railway mileage, it is more extensive than any comparable area. Heavy industry has advanced further than in other provinces. Further development in industrialization will be a matter of course. But such development should be according to a well-worked-out plan. And for heavy and key industries, large-scale enterprises should be undertaken by the state. These will include iron and steel, chemicals, electric power, and such major manufacturing industries as will require large capital investment which cannot be provided by private interests. Certain light industries using abundant local raw materials may be undertaken by private enterprise, such as artificial textiles, paper and plastics, cement and building materials, and the processed foods industry. There is plenty of room for everyone. State ownership and operation of some industries need not be so exclusive as to preclude the rapid development of similar lines by private initiative and competition.

4. A well-thought-out and long-term policy of transfer of surplus population from the metropolitan provinces to the Northeast should be established. The four provinces comprise an area of some 1.3 million square kilometers, supporting at the present time a population of 35,000,000. The density is less than 30 per square kilometer, far below the average density in the metropolitan area. By a system of planned migration under state aid and direction, the present population may be doubled or even tripled in the next thirty to fifty years. A population of something like 100,000,000 in

the four provinces outside the Great Wall is by no means impossible. Such a population developing and building up the country will guarantee us lasting possession of the great territory to be recovered, against any danger of renewed invasion and conquest by the enemy.

To sum up, I say the future of the Northeast is quite rosy. In space it occupies approximately one-seventh of the country's total area. In population it is one-twelfth of the nation's aggregate. But in foreign trade, it was already in 1931 a full quarter of China's total. If only export trade is considered, as much as a third of our entire contribution to the world market came from these four provinces. With thorough and effective measures taken along the line I have just suggested, as soon as the enemy is finally expelled and the territory recovered, the Northeast, known to the world at large as Manchuria, will surely become an inexhaustible reservoir of national wealth and prosperity. It may well develop into a new center for the renaissance of Chinese culture and civilization.

22

A NEW CHAPTER IN CHINESE-AMERICAN RELATIONS *

1.

THE CONCLUSION of the new treaty between China and the United States opens up a new chapter in the history of diplomatic relations between the two nations, in which the dominant note will be one of equality and mutual respect for each other's sovereignty. In fact, ever since the outbreak of the Pacific War, the United States and China, both being great democratic countries, have become allies in a common cause, fighting side by side against a common enemy. Of course, we have yet to go through many bitter struggles before ultimate victory will be ours. It is for this reason that the peoples of

* From an address delivered before the Chinese-American Institute of Cultural Relations, Chungking, January 21, 1943.

these two nations are unanimously hoping for closer contacts and a more lasting co-operation, so that they may the better assume their joint responsibility to the world. Just as mutual trust and reciprocal understanding are necessary to the cementing of friendship between individuals, so they are necessary to the furtherance of friendship between nations. It is only when the American and Chinese people seek to understand each other that they can hope to proceed from their present equality in principle to an equality in practice.

But there is no denying the fact that some of our American friends are not yet quite clear about the real conditions in China, and their lack of adequate knowledge has resulted in many mistaken views with regard to the Chinese situation. For instance, the problem of postwar world reconstruction has been discussed by a number of American scholars in various periodicals. A perusal of these articles shows us that quite a few of them seem to lack a real understanding of China. It does not necessarily follow that any particular section of American society represents the views of the majority, for in America everyone is given perfect freedom to voice his own opinion, even though such opinion may prove to be contrary to the government policy or even their national interest. We should on no account entertain any doubts or misunderstanding toward our allies when they give utterance to their personal opinions. But the publication of unsound opinions is likely to arouse misgivings among us, and for this reason, it may not be out of place for me here to cite one or two particular instances.

2.

The study of postwar world problems has been vigorously pursued by certain American thinkers, and as a result of their studies opinions have been expressed to the effect that Japan after her defeat should not be allowed to collapse; but, on the contrary, that she should be assisted to re-establish and maintain her military power as a check upon China, so that the latter may not become too strong and constitute a new menace to America. What is aimed at is nothing less than the creation of a new system of balance of power. It is also their fond hope that after her defeat postwar Germany will have sufficient vitality and military prowess left to serve as

counterweight against the Soviet Union. In their unfortunately mistaken view, American safety lies only in the balance of power between China and Japan in the Orient and between Russia and Germany in east Europe. This is precisely what the late Professor Nicholas John Spykman proposed in his book *America's Strategy in World Politics*.

On the other hand, views diametrically opposite to this have been set forth by Professor Nathaniel Peffer in his book *Basis for Peace in the Far East*. The more liberal school of American opinion is altogether opposed to any attempt at the revival of the discredited system of balance of power. It is rightly argued that the balance of power system is obsolete, since it has repeatedly proved its failure as a means of maintaining world peace, before the last war and before this.

It was the desire to keep the balance of power between the Anglo-French-Russian Entente and the Central Powers that started the First World War; and the attempted restoration of this system in Europe brought about the second war in that continent. If at the end of this war we should again follow the same course and try to give support to Japan and Germany, what would it mean but sowing new seeds of dissension for the future? The idea of the balance of power as a means of maintaining world peace is untenable and should be given up once for all. In the opinion of Professor Peffer, who bases his statement upon a genuine understanding of China, America should stand opposed to any balance of power in the Far East, and should help China to become strong and prosperous so as to be a stabilizing force in Asia.

There may not be many people who share Spykman's opinions; but the question is, how did he come to possess these views? I presume it is due to the fact that he did not have a clear understanding of the Chinese situation both in the past and in the present. His inadequate understanding led him to place no real confidence in China and to doubt whether she is a peace-loving nation, thus giving rise to unwarranted misgivings lest China should turn out to be a threat to America, once she attains a state of abundance and prosperity. Unfortunately Spykman did not see that for China to be an imperialistic power would be very much against the very nature of *San-Min-Chu-I* and the policy of the Kuomintang. Nor is it in line with our national tradition.

To remove similar misunderstandings among our allies, there is of course much to be done in our publicity work; but what is more important, we should let our deeds speak for us. With our deeds clearly shown to the eyes of the world, a diligent student of world affairs could not fail to perceive that a new China dedicated to *San-Min-Chu-I* cannot be imperialistic.

But so far, *San-Min-Chu-I* has not been carried out in its entirety, and we have not yet been able to substantiate our words by concrete examples. Under conditions like these, naturally, foreign observers cannot be expected to judge of our future merely by our utterances. All our foreign friends are anxious to see if we are really sincere and determined to realize our national destiny on the pattern outlined by Dr. Sun Yat-sen. Their immediate attention is fixed on China's attitude toward her neighbors. For example, the problem of Korea's independence after the war is considered by many as the touchstone of China's real intentions. In their investigations of the situation in the Far East, foreign observers are watching with great concern China's attitude toward British Burma and French Indo-China in case these two should demand their independence at the end of the war. They are also interested in how the Chinese National Government is going to work out its domestic policy with regard to Tibet and Outer Mongolia. When the time comes for the Chinese Government to readjust its relations with Tibet and Outer Mongolia, what course will it take? If we are going to adopt high-handed measures, our foreign friends will certainly regard us as imperialistic and be on guard against us. In their opinion, a China imperialistically inclined is something to be feared even more than Japanese militarism reasserting itself after the defeat. The only way to remove suspicions and misunderstandings of this kind is to reconstruct our country in strict accordance with *San-Min-Chu-I*. With these principles fully carried out, there would be no possibility of China becoming an imperialistic power; and by that time there would be no more reason for any misgivings and suspicions our allies may have concerning China today.

Misgivings are also likely to arise among foreigners who

lack an adequate understanding of China's present political program and reconstruction work. They fear that China may go the way of the fascist nations. But how do these fears arise? They arise mainly because of the fact that our foreign friends are not well informed about the real situation of present-day China. The political experience of the English and American people accustoms them to think of multi-party rule as the only possible basis of democracy. To them a government run by a single party is entirely out of keeping with democracy, for democracy under the tutelage of one party is unknown in Western political history. They do not know that China has developed her political structure in a way peculiar to herself. The task of reconstructing China has devolved on the shoulders of the Kuomintang through the whole-hearted support of the entire nation, not even excepting opposition factions.

The Kuomintang is a revolutionary party of long standing which brought about the overthrow of the Manchu Empire, to whose impotence must be attributed the unequal treaties of the past hundred years. Following the overthrow of the Manchu regime the Kuomintang, in its desire to achieve national unity, surrendered power to Yuan Shih-kai, and worked hard for the inauguration of a parliamentary system; but this merely served as a stimulant to Yuan's ambition to assume imperial power, which finally led to the restoration of the monarchy with himself as emperor. Yuan's death was followed by more than a decade of warlordism which almost drained China of her national vitality.

The lesson learned by the Chinese people during this period is too bitter to be forgotten. To relieve the people of their sufferings, the Kuomintang, whose duty it was to fulfill the historic mission of national reconstruction, carried out a second revolution in 1927. However, no sooner had China been united under the rule of the Kuomintang, ready to put her house in order, than Japan started her undeclared war against China. Were it not for the leadership of the Kuomintang in her heroic resistance against the aggressor, China under the onslaught of Japanese mechanized power might already have ceased to exist as a nation.

Thus, we see, the Kuomintang and the reconstruction of China as a modern nation are inseparably linked together.

There is another historic fact which our foreign friends may well try to understand. The Kuomintang is one of the first among the declared enemies of fascism. When the revolutionary government of the Kuomintang still had its seat in Canton, a group of reactionary merchants and *compradores* conspired to set up against it a "government by the merchant militia," which was fascist in its very nature. Its prompt suppression by Dr. Sun Yat-sen must be considered the first blow aimed at the Chinese Fascist movement. This incident may not be quite familiar to our friends abroad.

Let me cite a parallel instance in American history to make clear what I mean. During the War of Independence, the American Government was also under a one-party rule. The party headed by Washington was a republican party with the royalists in opposition, but the latter were soon suppressed. China now finds herself in a similar position. In its role as the tutor of the Chinese people, the Koumintang is really paving the way for true democracy.

4.

Postwar international economic policy is also a question that is engaging the attention of various circles in England and America, from government authorities down to the man-in-the-street. Brains are being racked to find ways and means for the realization of permanent peace on earth. Our painful experience in the past has ingrained in our minds the truth that, failing a rational solution to the world economic problem, there will be no safeguarding of world peace.

It is generally believed in America that the guiding postwar policy should be a return to free trade, the demolition of the tariff wall, and the removal of all obstacles to economic co-operation. Since the First World War, economic nationalism has come into vogue, resulting in the shrinking and almost killing of world trade. It was with a view to preventing the recurrence of such an unhealthy situation that the United Nations signed, on New Year's Day 1943, a common declaration urging free trade as one of their postwar policies. As China is one of the signatories to the document, we have nothing to say against it as a matter of principle. But this does not mean that we are willing to give unconditional support to such a policy. The reason is that we are an economi-

cally backward nation. If immediately after this war, free trade is to be adopted in China, as it will be in economically advanced nations like England and America, then a new economic inequality will be likely to set in. Although in respect to treaties, we are now on an equal footing with England and America, yet so far as economic life and productive power are concerned, we lag far behind them. They are both highly industrialized nations. Once we adopt free trade and abandon the protective tariff policy, all the agricultural raw material will be purchased by the industrial nations and sold back to China at a cheap price in the form of manufactured goods. China will naturally suffer under such a situation, and her program of industrialization will be indefinitely postponed. China will remain an agricultural country supplying other nations with raw materials while all the goods she needs for consumption will have to be imported. In that case America, as well as China, will have everything to lose but nothing to gain from the economic point of view; for, no matter how much America dumps her goods, she will not be in a position to compete with Japan in the Chinese market, and the Chinese would be economically dependent upon Japan. This is something which we cannot tolerate. Being a signatory to the said document, we do not ask for a repeal of the proposed policy. What we suggest is a new program to deal with the peculiar situation in China.

In our opinion, free trade should be adopted in industrially advanced nations, such as England, America, Germany, and Japan as soon as the war is ended; but in China, the time element should be taken into account. It is only after ten, twenty, or thirty years, when China has completed her industrialization, that we can be expected to join an international regime of free trade.

We wish to make known to our American friends our hope that America will do her best to help China's industrialization in the first ten years after the war, just as at present she is doing her best to help us to win the war. Of all the United Nations we find that America is the only one equal to the task, for all the other nations, being exhausted after their war efforts, will have their own reconstruction problems to solve; but America, owning abundant resources and great productive power, will not be so adversely affected by

the war. She will still have things to spare for helping the reconstruction of China.

It may be questioned whether ten years is a long enough period for the process of industrialization in China. As revolutionists we answer the question definitely in the affirmative. The successful completion of the First and Second Five-Year-Plans in Soviet Russia is an example. In her reconstruction work Russia made no use of foreign capital, though foreign technicians were employed. All that the Soviets spent in their reconstruction was saved from what they could spare in their food and clothing. The Soviet people at that time wore rags and had black bread for food, but they were not heard to complain. They tightened their belts and saved their butter to exchange for German machines. Not infrequently on the machines in the factories were inscribed the following words: "Comrade workers! This machine has cost us so many *poods* of butter. We must make the best use of it." Soviet industrial products, such as linen cloth and furs, were exported to Europe and America in large quantities. It is because the Soviet people could endure such hardships that they were able to complete their industrialization in a period of ten years and prove themselves such a formidable power. They have shown their strength in the present war, and their recent victories on various fronts bespeak the result of their tenacious efforts in the past. We should regard them as our example, nay, our teacher.

When I first interviewed Stalin in Moscow, he told me that, old as she was, China would soon be able to stand on her own feet and make herself young again in the face of foreign aggressors. He further expressed the hope that China's reconstruction after the war would even surpass Soviet achievements in speed. In this connection I am glad to say that our years of resistance against the aggressor have seen China making much progress along various lines, thus greatly strengthening her national confidence. We expect our postwar progress to be still greater when foreign capital will be available to meet our needs.

5.

For the completion of our reconstruction work in the first stage of industrialization, let us assume that a sum of ten bil-

lion U.S. dollars, amounting to two hundred billions in Chinese currency, should be loaned to us by America for industrial equipment. In addition to this, we need another ten billion U.S. dollars for the building of factory plants and the payment of wages. Such a figure is by no means as astronomical as it may seem to us at first sight. America's war budget for the fiscal year July 1943 to June 1944 has been fixed at one hundred billion U.S. dollars, amounting to two thousand billions in Chinese currency. About two-thirds of this sum is earmarked for war production. Thus, we see, China's proposed loan of American money to the amount of ten billion dollars for her first stage of industrialization, is equal to only one-seventh of America's war production budget for the coming year, while an annual expenditure of one billion means only 1 per cent of America's entire war budget for the fiscal year 1943-44.

Now, what can we hope to achieve with such a sum in our industrial development? It is not an extravagant hope if we put our annual production of iron and steel after ten years at five million tons. That is about 5 per cent of the American production for one year. The annual production of iron and steel for Japan, England, and Germany is set at seven million and a half, fifteen million, and twenty-five million tons respectively; while in America it almost reaches the figure of one hundred million tons.

A small number of Americans are watching with suspicious eyes the development of China lest she should become a menace to America. Such gloomy views of China can be easily dispelled by our own endeavors. Once misunderstanding is cleared up on the part of those Americans, the American Government, as well as the American people, will only be too willing to see a strong and rich China emerge from this war, and to co-operate with us in safeguarding the peace on both sides of the Pacific. If it is sincerely believed by the whole world that a strong China is necessary to the peace of the Pacific, and that an industrialized China is a stabilizing force in maintaining the free trade of the world, then no effort ought to be spared to speed up China's industrialization.

If at the end of the last war, world statesmen had had enough courage and foresight to accept Dr. Sun Yat-sen's plea for international aid for China's program of industrial devel-

opment, the present war might have been averted. Unfortunately the governments of the powers were too preoccupied with their own immediate problems to think in terms of the world as a whole. Hence the agony of this war. We cannot afford to commit a second error. We must learn by experience. We let a golden opportunity slip twenty years ago, but we must lay firm hold of this one. In Dr. Sun Yat-sen's program of national development, we find plans to build 100,000 miles of railways and 1,000,000 miles of highways to solve our communication and transportation difficulties. We should now lose no time in working for its early realization. What is of paramount importance is to convince our foreign friends of our worthy intentions and to win their willing help.

We believe that the development of Sino-American relations will affect the future of the Far East and the whole world, and we also believe that America alone, with her farsighted leaders will be in a position to help us. We will frankly inform the American Government and the American people that China's industrialization is indeed intended to solve the problem of her internal reconstruction, to raise the living standard of her masses, and to increase her national strength; but there is another side to the question. It is not out of mere self-interest that we aspire to be a modernized nation; we have also the future of the world in mind.

Among every five men in the world, there is a Chinese. When 450,000,000 people can live a decent life and find themselves disposed to contribute to world prosperity, the face of the world will certainly be tremendously changed. Whether this will remain a mere dream or will become a fact hinges upon the development of Sino-American relations. Both the American and Chinese people are therefore called upon to shoulder their joint responsibility, and to make timely efforts to achieve their common goal of world peace and prosperity.

RECONSTRUCTION OF THE POSTWAR WORLD *

1.

IT IS HARDLY NECESSARY to emphasize again that the Chinese people are a peace-loving nation. Tradition, philosophy, and history all point to that. We have been endeavoring to maintain peaceful relations with our neighboring peoples for thousands of years. We have an ingrained traditional love for peace. And what is more, for the past fifty years or so we have been having the beneficial influence of the teachings of Dr. Sun Yat-sen, and the experiences of our National Revolution. All these go to make China one of the main pillars for the maintenance of permanent world peace. As a matter of fact, we have already been defending that peace. The war of resistance against Japanese aggression which we have been fighting is but a part of the world struggle for preserving peace and order.

Before the outbreak of Sino-Japanese hostilities, many foreign friends told us that from the point of view of national self-interest, it would be better for China to be patient and to play for time. We were fully aware of the fact that, once war should break out between ourselves and Japan, China would have to undergo tremendous sufferings and make great sacrifices. But in order to extinguish the flames of aggression so as to maintain permanent peace, we finally had to go to war. We, as a nation, refuse to be dominated by ideas of self-interest. We value our national existence, but also at the same time we are intimately concerned with the existence of the entire human race. In order to save the whole of humanity from further sufferings, we would rather undergo all these sufferings ourselves. We are not unaware of our strength, yet we would be neglecting ourselves if we should not fulfill the mission which, we think, the Chinese people have for mankind. Keeping constantly in mind such sayings of our sages as,

* From a speech delivered at the inaugural meeting of the Committee on Postwar World Reconstruction, Sun Yat-sen Institute for the Advancement of Culture and Education, Peipei, January 31, 1943.

"Drops of water go to make the river," we have at least succeeded in immobilizing a huge part of the Japanese forces which would otherwise be used against our allies.

The global war is now at its turning point. The victory is in sight. But how, from painful experience in the past, are we going to make a new world in which we can enjoy permanent peace? This has again become a problem for all farsighted thinking and peace-loving peoples. If we should succeed only in stopping aggression, without laying the foundations for permanent world peace, then this war would have been fought in vain. The Chinese people have sacrificed millions of lives and untold treasure in this war; we should naturally contribute all that we possibly can toward the establishment of permanent world peace.

2.

Owing to difficulties of communication, we have not been able to get all the current literature concerning postwar world reconstruction which has lately been published in Britain and America. From what I myself have been able to get, I notice that, although there are articles and treatises which have been written in a spirit of justice, there are nevertheless others which were prompted by narrow considerations of self-interest and were in line with traditional biases. I have pointed out some of the biased opinions which are now current abroad, such as those in the book by the late Professor Spykman. Spykman warns the American people that: "The ally of today is the enemy of tomorrow." It hardly need be said that the so-called new balance of power is nothing really new. It amounts to a reaffirmation of the doctrines entertained by the Haushofer school of geo-politicians which find so much favor among the Nazis. But we must not ignore the meaning of Spykman's pronouncement. What seems only to be academic discussion may sometimes exert considerable weight in shaping the national policy of America.

Naturally there are many others in America whose views are directly opposed to Spykman's, and I have cited those of Nathaniel Peffer, who strongly advocates the theory of "imbalance of power." He thinks that a powerful China is the only safeguard to peace in the Far East. As peace in the new hemisphere is maintained by the existence of a powerful

United States, so peace in the Far East is to be maintained by a powerful China.

The East and West Association, which is under the chairmanship of Pearl Buck, has also criticized the reactionary views. From England I have come upon another recent book, Professor Carr's *Conditions of Peace*. The book contains some very well-reasoned views regarding postwar world reconstruction, most of which are quite in harmony with the fundamental spirit of the three People's Principles.

In our study of postwar world reconstruction, we must keep a close watch over the prevailing opinions abroad. We must give our support to those which are just and condemn those which are harmful to China. It is regrettable that so far not much interest has been shown in these matters by our academic circles. Our government organizations whose duty it is to look after these matters have been quite negligent in this respect.

We all know that in a democratic country, public opinion can influence national policy. If biased opinions should be widespread, it would be difficult even for clear-sighted statesmen to eradicate them. A case in point is how America joined this war.

President Roosevelt is indeed a great statesman. As long ago as October, 1937, when he made his famous Chicago speech in which he denounced aggression and called for quarantine of the aggressors, he knew very well that it is impossible for America to stand aloof in world politics. But public opinion then prevailing was strongly isolationist in attitude, so President Roosevelt's speech was violently attacked by the press, and he had to remain quiescent for a long time. His appeal for the passing of the Neutrality Act was held up by the Congress. When France collapsed, America had a standing Army consisting of only some 360,000 men. Not until September, 1940, did the American Congress pass the Selective Draft Act, introducing compulsory military service while the United States was still at peace.

From the above we may see what a great and far-sighted statesman like President Roosevelt had to go through before his views were finally accepted by his fellow countrymen. All this indicates how powerful is public opinion in America and how it influences the shape of American national policy.

This has been so in the past, and will continue to be so in the future. I must therefore advise you not to ignore the views expressed in the press concerning postwar world reconstruction in Britain and America. Imagine if views like those of Professor Spykman's should gain ascendancy and become so powerful as to be capable of influencing American national policy! What a postwar world would we then have!

3.

If the so-called "realists" should succeed in influencing the national policies of the United Nations, then I think the world situation would be something like this:

In Europe they would like to see the war between Soviet Russia and Germany go on as long as possible with neither side scoring big victories nor suffering disastrous defeats. They would like to see both parties becoming exhausted so that they themselves might be able to take advantage of such a situation and become what we Chinese called the "lucky fisherman."

In the Pacific the United States would, of course, come to the support of China, for otherwise there will be no balance of power. The appeal which has been made by so many clear-sighted men to come to China's aid quickly so as to strengthen her power of counteroffensive has, however, to be weighed on the scale for balance of power in the Far East. As regards the postwar period, there will be intrigues and counterintrigues, just as in the old days. When Power A is needed to check Power B, then the friendship of Power A will be courted; and when Power B is needed to check Power A, then the friendship of Power B will be sought after. This is what we mean by balance of power.

For self-interest, all this sounds very well indeed. But can world peace be maintained under such a system? No, definitely no. If by having such a system world peace could be maintained, then we would not have had this present war at all. Should the so-called new balance of power become a reality, then the blood of our soldiers and those of the United Nations will have been shed in vain, and the sacrifices which the whole of humanity has been undergoing will have been rendered meaningless.

The aspirations of the Chinese people are simple. We only

wish that China may live in peace with the entire human race. We earnestly hope that the close relationship now existing between China and her great allies, Soviet Russia, Britain, and America, may be permanently maintained after the war, and the spirit of the Atlantic Charter may be carried out without reserve in establishing peaceful relations between various countries in the Far East. The ideal solution would be to transform militarist Japan into a democratic Japan by the concerted efforts of the four great powers. After it has become a democratic country, we might invite Japan, in a spirit of equality, to join the union of democratic nations. Permanent peace in the Far East is to be maintained by collective strength. If this should be deemed too ideal a solution, we might then follow the other alternative—that is, to annihilate completely the military strength of Japan and not permit her to become a threat to Far Eastern peace again.

Such are our ideals. If, however, our ideals cannot be carried out, then we may resort to “realism.” There are also two ways. First, in consideration of geographical and other factors, we must have closer relations with Soviet Russia so as to prevent Japan from becoming again a threat to Far Eastern peace. At the same time, we may turn to defeated Japan after the war and establish closer relations with the Japanese people, who will have learned by then a good deal in this war.

This “realist” policy of ours is again simple. If we should adopt such a policy, we would do so for the sake of our own security. We, however, do not lean toward “realism” because we know that “realist” policies are no safeguard to permanent peace. They will only lead to further conflagrations.

The enthusiastic support and material aid given to China by our Allies in this war will never be forgotten by the Chinese people. But I must point out that in the ideals of post-war world reconstruction, we are still friendless. People have viewed a powerful postwar China with apprehension. They visualize a strong China after the war as a threat to the world. All this is uncalled for. This reminds me of the Chinese saying: “Once bitten by a snake, one is even afraid at seeing a rope.” The rope will not bite anybody; one becomes afraid of it only because one is nervous.

After World War I many Western thinkers, such as H. G. Wells, Bertrand Russell, and Harold Laski, dissatisfied with

the chaos and confusion to which Western philosophy had led them, became interested in Chinese political philosophy. Although their views may not be always correct, they are, nevertheless, the ones who have at least shown their interest in the study of Chinese traditions. Unfortunately, the desire for Chinese studies was short-lived; so to this day, the spirit of the Chinese people is still something mysterious to the minds of the West. We have ourselves to blame, for we ourselves have not taken up the responsibility of letting the West know what we really are.

5.

If after the war, the views of a country which represents one-fifth of the total population of the world, such as China, were not respected; and if such a country were not given an equal opportunity in the peace settlement, then whatever settlement might be reached would not be lasting. It is not a question whether traditional Chinese political philosophy should have world-wide acceptance or not; it is a simple mathematical problem. One-fifth of humanity cannot be lightly ignored.

I would like to give here in a few words my own personal opinion concerning fundamental principles to be followed in postwar world reconstruction. The most important, I think, is the principle of equality of nations. If in the postwar world, the division between ruling peoples and subject peoples should continue to exist, then national hatred and ill-feeling will also continue and intensify. Under such circumstances there could be no guarantee whatever for permanent world peace. If a new world should be created after this war, we must thoroughly do away with all racial theories entertained by the Nazis, and put into effect the principles of national freedom and national equality as enunciated in the Atlantic Charter. As regards the so-called backward peoples, the advanced peoples should help them to raise their cultural level, like elder brothers helping the younger. Christ commands people to love their neighbors, and this should be followed in international intercourse.

Secondly, the postwar world should be so reconstructed as to increase the general well-being and happiness of mankind. To this end, we must first of all raise the standard of living

among the various peoples. There should be not only rationalization of production, but also rationalization of distribution and consumption. For, if we should concentrate on rationalizing production alone, that would lead us to all kinds of troubles. What is needed is some kind of co-ordination between production, distribution, and consumption. Postwar China will undoubtedly follow closely the principle of People's Livelihood. The standard of living of our people will have to be raised. We will have closer economic relations with other nations.

As we examine the causes for the failure of the peace established after the First World War, we cannot but feel that, in order to maintain permanent world peace, the above two principles must be strictly adhered to in the peace settlement following this present war. Avoiding past mistakes is what marks human progress. It is sincerely hoped that past mistakes will not be repeated after this war.

I do not know whether after this war there will still be room for the activities of Mars; but to prevent such activities is undoubtedly our responsibility. I also do not know whether our proposals for postwar world reconstruction will be acceptable to all; but regardless of that, we must do our part.

24

FOR A JUST AND ENDURING PEACE *

HUGO GROTIUS, the distinguished scholar of the seventeenth century, initiated and stimulated the development of the modern system of law between nations. And he must have dreamed of the dawning of a new era for mankind when he wrote his famous work, *De Jure Belli et Pacis*, ("The Law of War and Peace").

The teachings and theories of Grotius find a ready response in intellectual circles in China, since they coincide

* From the opening speech at a meeting under the auspices of the China Society of International Law, Chungking, August 29, 1943.

with the Chinese philosophy of the supremacy of the moral law, the law of the right and just, as opposed to the theory that international law can be founded on compacts which may negative the righteous cause, and that the sovereign state is its own judge of right or wrong.

According to Grotius, the conduct of a state should be judged by the same moral law as that which exists between individuals in any civilized state. This concept of international conduct was held by the Chinese for well-nigh two thousand years before the birth of Grotius. And this view still prevails in the consciousness of the Chinese people to-day.

For two hundred years the West drifted away from the Grotius concept of international law, and positivist views prevailed down to the end of the last World War. Since then the tide has turned, and the catastrophes of 1914, 1937, and 1939 have brought back into prominence the ideal Grotius put forward in a world which at that time was torn with dissensions and ridden with strife.

This World War, the second of the twentieth century, is a relic of the centuries just past when wars paid dividends. The wars of the last years of the eighteenth and the whole of the nineteenth centuries were wars which gave the victors easy loot, glory, and aggrandizement. Indemnities obtained from China served as the financial base upon which Japan's economic structure and military machine were both built up. But now it has been shown that world economy is so balanced and interwoven that wars do not pay any longer. However, the Japanese militarists, and Hitler and his satellites, still believe that by aggressive wars sufficient loot and territory could be obtained, not only to pay for the war, but also to provide profits for the aggressor state.

The Japanese invasion of China was for loot and conquest. Hitler even today is stripping Europe of much of its wealth for the enrichment of his Nazi Reich. For a time these aggressors were resisted only by their unfortunate victims, while the rest of the world stood aside in what was considered the right attitude of the neutral. Only too late was it finally realized that no country was safe from aggression or could stand aside unmolested as a neutral when aggressors are on the rampage.

Grotius laid emphasis on the just war. He laid down the rule that a neutral should "do nothing which may strengthen the side which has the worse cause, or which may impede the motions of him who is waging a just war."

The teachings of Grotius point to recognition by the nations of the world of the moral law in their mutual relations, and that they should make their conduct conform to the fundamental principles derived from that law. The same principles of law for individuals must be upheld for nations. Then and then only shall we have a moral and ethical basis on which to build up a better world.

The aim of thinkers in international affairs, jurists and publicists today is to revitalize and strengthen international law so as to lay the foundation for a just and enduring world peace, securing order under law to all nations. The weak must be able to live without fear of the strong in a world which will be a realization of the United Nations' Charter.

The establishment of a body of law governing international conduct which will make this practicable and effective, must no longer be regarded as utopian. The savageries of Hitler's Fascists and the Japanese militarists have shown that no laws governing the conduct of war are worth anything when aggressor governments seek aggrandizement through world domination. It is only the establishment of a central World Authority which can bring peace and security to this world of ours, and raise the dignity of the human race to a higher plane—a rule of law throughout the world.

Noted publicists have formulated postulates for the organization of a better world. In general they call for the outlawing of war and its repudiation as a legalized procedure for the settlement of disputes. The acts which shall be regarded as aggression must be specifically defined, as well as the conditions calling into effect the right of legitimate self-defense. An act of aggression committed against one nation must be considered as an act of aggression against all the other members of the international community.

Each nation must consider that it has a vital national interest in the maintenance of international law and order, and that every threat or act of violence against one member of the community constitutes a direct threat against each and all of them. The primary objective of the new international

organization must be the protection of each and all of its members against acts of violence, so that every nation may rely for its security upon the collective action of the community.

These are some of the concepts which will carry into effect the teachings of Hugo Grotius and the great sages of China. It is only when the society of nations is built up on the basis of these concepts, in whatever form the architects of the central World Authority may deem best, that we shall have peace on earth and man will be free to develop to his full stature as a human being.

APPENDIX A

*"General Principles for National Reconstruction" **

1. The National Government shall reconstruct the Republic of China on the basis of the revolutionary *San-Min-Chu-I* and the Five-Power Constitution.

2. The prerequisite for national reconstruction is to promote the economic well-being of the people by providing for their four fundamental necessities of life, i.e. food, clothing, housing, and means of transportation. The government shall co-operate with the people in the development of agriculture, so that the food supply for the people may be sufficient; shall co-operate in the development of textile industry, so that the people may have adequate clothing; shall construct houses of all kinds in accordance with big housing schemes, so that the people may be provided with decent living quarters; shall build railways, roads, and canals, so that the people may travel conveniently.

3. The second in importance is democracy. The government shall instruct and guide the people in their political knowledge and powers, so that they may be able to exercise the powers of election, recall, initiative, and referendum.

4. The third in importance is nationalism. In regard to the racial minorities within the nation, the government shall help them so that they may acquire the ability of self-determination and self-government. The government shall resist foreign aggression. The treaties with other nations shall be revised, so that our position of equality among the family of nations and national independence will be restored.

5. The order of national reconstruction shall be divided into three periods: first, the period of military government; second, the period of political tutelage; and, third, the period of constitutional government.

6. During the period of military government, all institutions shall be subject to military rule. The government, on the one hand, shall use military force to remove all obstacles within the nation; and on the other hand, it shall preach the principles of

* Drafted and proposed by Dr. Sun Yat-sen and adopted by the First Kuomintang National Congress, Canton, January 20, 1924.

the Revolution to the people of the whole nation in order to enlighten them and guide them for national unity.

7. As soon as the order within a province is completely restored, the period of political tutelage in the province shall begin, and the period of military government shall cease.

8. In the period of political tutelage, the government shall send out properly trained and qualified officials to every *hsien* to help the people prepare for local self-government. A *hsien* is considered to be up to the standard of local self-government when a census of its population is accurately taken, its land entirely surveyed, its police force well organized, and its roads constructed. The people of the *hsien* shall be trained to exercise the four political powers. After they have discharged the duties of citizenship and determined to put into practice the revolutionary principles, the people of the *hsien* may elect the *hsien* magistrate to administer the *hsien* affairs; and they may elect representatives to make laws and draw up regulations for the *hsien*. When the *hsien* has performed the above, it is considered a complete self-governing *hsien*.

9. In a completely self-governing *hsien*, the people shall have the powers of direct election, direct recall, direct initiative, and direct referendum.

10. When self-government is instituted in a *hsien*, the value of the private land in the entire *hsien* shall be first assessed and determined. The procedure is that the landowners shall declare the value of their land. The local government may tax the land based on that declaration of value with the option that the *hsien* may purchase the land at any time according to its declared value. After the declaration of value of the land, if there is any increment in its value on account of political or social improvement, such unearned increment shall belong to the people of the entire *hsien* and not to the private landowners.

11. The tax on land, the increment of value on land, the products of public land, the proceeds from forestry and waterways, and the profit from mines and hydraulic power shall entirely belong to the local government, to be used for care of the young, the aged, the poor, the distressed and the sick, and other kinds of public need.

12. The natural resources of a *hsien* and the industrial and commercial undertakings on large scale which are beyond its financial ability to develop and conduct, and must have outside capital for their administration, shall be carried on with the assistance of the Central Government. The profits shall be divided on a fifty-fifty basis between the Central and the local governments.

13. Each *hsien* shall contribute a certain percentage of its annual receipts to the expenditures of the Central Government. The percentage shall be determined every year by the representatives of the people. It shall not be less than 10 per cent nor more than 50 per cent.

14. After the local self-government of a *hsien* has been established, it may elect one representative to the National Assembly to participate in the affairs of the Central Government.

15. All candidates for office and officers, whether in the central or local government, shall be persons qualified in public examinations held by the Central Government and have their qualification certified.

16. When all the *hsien* of a province have local self-government fully established, the period of constitutional government shall begin in that province. The representatives of the people shall elect the provincial governor, who shall supervise self-government in the province. In regard to matters of national administration in the province, the governor shall be under the direction of the Central Government.

17. During this period, the powers exercised by the Central and provincial governments shall follow the system of functional distribution of powers. Affairs of national character shall be under the jurisdiction of the Central Government. Affairs particularly pertaining to a province or a locality shall be under the jurisdiction of the local government. This division of power shall emphasize neither centralization nor decentralization.

18. The *hsien* shall be the unit of self-government. The province shall serve as a connecting link between the Central and the *hsien* governments.

19. In the period of constitutional government there shall be five Yuan to try to put into practice the system of the five governing powers. The order is as follows: the Executive Yuan, the Legislative Yuan, the Judicial Yuan, the Examination Yuan, and the Control Yuan.

20. In the Executive Yuan there shall be provisionally the following ministries: 1, Interior; 2, Foreign Affairs; 3, Military Affairs; 4, Finance; 5, Industries and Commerce; 6, Education; 7, Communications.

21. Before the promulgation of the Constitution, the presidents of the Five Yuan shall be appointed and removed by the President of the Republic and subject to his direction.

22. The draft of the constitution shall be prepared by the Legislative Yuan, based upon the "General Principles for National Reconstruction" and the results of the periods of political tutelage and the constitutional government. The draft shall be

publicized to the people from time to time, so that when the time arrives it may be adopted and put into practice.

23. When more than one-half of the provinces have reached the stage of constitutional government—that is, more than one-half of the provinces have local self-government fully established in all their *hsien*, the National Assembly should be convened to decide on the adoption and promulgation of the Constitution.

24. After the Constitution is promulgated, the sovereign powers of the Central Government shall be exercised by the National Assembly—that is, the National Assembly shall have the powers of election and recall of Central Government officers, and the powers of initiative and referendum of Central Government laws.

25. When the Constitution is promulgated, constitutional government is considered fully established. The people of the whole nation shall hold a general election in accordance with the provisions of the constitution. The National Government shall be dissolved three months after the general election. The governing powers shall be exercised by the government so elected. Then the great task of national reconstruction is considered accomplished.

SUN WEN

April 12, 1924

APPENDIX B

*Project for the Concentration of National Strength to Combat the Menace Threatening China's National Survival **

China's national crisis, due to external aggression on the part of a powerful and rapacious neighbor, has been aggravated since the Mukden Seizure of September 18, 1931. Our northeastern provinces have been lost and their recovery is not yet within sight. Even though the recommendations made by the Lytton Commission of Inquiry sent by the League of Nations be accepted by both parties to the conflict, the northeastern provinces shall be restored to China in name only, as they will be in fact

* Submitted by the author and adopted with minor revisions by the Third Plenary Session of the Fourth Central Executive Committee of the Kuomintang on December 15, 1932.

placed under international control. Bewilderment and uncertainty beset us when we think of our future.

For over forty years the Kuomintang has immutably regarded China's Revolution as well as China's national salvation as its own historic mission. The supreme task fallen upon its shoulders at this moment is to lead the Chinese people resolutely and without deviation to struggle for national survival and the restoration of the lost territories. This is indeed the decisive hour for the party to assume the great task of safeguarding the destiny of the nation in its own hands. This Third Plenary Session is therefore compelled to take up an arduous task unprecedented in China's long history. The greatest problem confronting us today is determined resistance to Japanese aggression with the supreme object of securing national survival.

But to resist the Japanese invader to the bitter end, we must first of all achieve internal unity. It is quite clear that only through resisting the aggressor can national unity be attained. These two conditions react upon each other as cause and effect which cannot be isolated. When the one is effected, the other will be solved almost automatically. This is the greatest decision that this Plenary Session of the Kuomintang will have to make.

The underlying cause for China's non-resistance to Japanese aggression up to this moment is the Government's perplexity over the complicated conditions with which it is beset. The core of the problem is internal disunity, the causes of which are:

1. The division of political parties and factions which have been attacking one another as a result of their differences and dissension in political opinion and the nonpopularization of political power as well as the absence of the freedom of expression.

2. The mutual distrust among military factions which tend to checkmate and oppose one another as a result of the failure to distribute administrative powers between the Central Government and the local authorities and the absence on the part of the Central Government of an appropriate policy for the guidance of public opinion.

We must therefore endeavor to cure the disease with the right prescription.

Domestically, first of all, democratic government must be introduced so that the citizens shall enjoy the right to participate in political affairs and to exercise political power. The people must be given the chance to express their political views through peaceful and legal means in order to build up a constitutional and democratic state step by step. Thus the unjustifiable attacks on the government by the opposition parties and factions which

they have been making will be ended. Secondly, the military factions should be reconciled through the just disposition of the Central Government, thereby removing distrust and rivalry between them. It is foreseeable that national unity will be achieved in place of the present chaos if the Government will follow a resolute policy to oppose Japanese encroachments and, at the same time, adopt a liberal and tolerant attitude toward its political opponents.

Diplomatically, necessary preparations and the right moves must be made in time. To cite an instance, action on the resumption of friendly relations with the Soviet Union was delayed for half a year and almost sidetracked indefinitely. We have created, through our own slackness and misjudgment of the international situation, almost every opportunity for the enemy to court the nations which should have stood on the same side with us. There is, of course, still time to retrieve the ground we lost. But the international situation may change at any moment. If we commit further mistakes in formulating our foreign policy, it may lead to a still-worse disaster which, when it comes, will be too late for us to prevent. In addition, we must make in time all necessary preparations in strengthening our national defense and perfecting our military arrangements for further emergency that may be likely to overtake us in the near future. To implement the foregoing statement, certain recommendations and proposals are hereby presented for the consideration and adoption by the present Plenary Session of the Central Executive Committee.

PROPOSED RESOLUTIONS

I On Foreign Relations

Be it resolved:

1. That our foreign policy be based, from now on, on the resolute determination to resist Japanese aggression and to implement this policy, on the closest possible collaboration with the Powers concerned;
2. That the policy of cementing our friendship with the United States of America, Great Britain, France, and other countries be actively promoted, and at the same time all necessary steps be taken to meet the coming World War; and
3. That positive efforts be exerted for the restoration and improvement of friendly relations with the Soviet Union as our prospective ally in the Far East.

II *On Domestic Affairs*

Be it resolved:

1. That the government issue definite and responsible assurances to the people to guarantee the freedom of assembly and organization, the freedom of speech and publication, the freedom of belief, and the freedom of residence, in accordance with the political principles of the party, and to prohibit all illegal acts of interference and high-handed arrests;

2. That regional political councils be established in certain locations to be designated, to carry out effectively the functional distribution of powers between the Central Government and the provinces; and that members of the Central Executive Committee be directed to participate in these councils;

3. That the political councils in Peiping and Canton, already in existence, be formally reappointed and confirmed in their office by the government;

4. That all local administrative functions be exercised by the respective competent local authorities in accordance with law, and that no administrative acts and orders be permitted and issued by unauthorized persons or self-appointed authorities in contravention of the established administrative system; and

5. That high political inspectors be appointed and dispatched to the provinces to inspect the local administrations, to inquire into the sufferings and grievances of the people, and to report on their findings periodically to the Central Government, and that Central Government decisions and measures for reform and reconstruction be based on the findings and reports of such political inspections.

III *On Preparations for Constitutional Rule*

Be it resolved:

1. That the establishment of local self-government as envisaged in Dr. Sun Yat-sen's "General Principles for National Reconstruction" be vigorously enforced in order to enhance preparations for the inauguration of constitutional rule at the earliest possible moment;

2. That a Draft Constitution be prepared by the Legislative Yuan, which work to be done during the period January to June 1933, and that said Draft Constitution be made public on October 10, 1933, for nation-wide public discussion preparatory to its submission to the National Assembly;

3. That the First National Assembly be convened in April

1934 to pass and adopt the Constitution and determine a date for its promulgation and enforcement;

4. That after the promulgation of the Constitution, the government be required to complete the establishment of local self-government throughout the country according to constitutional provisions as well as to carry through all uncompleted tasks scheduled for the period of political tutelage;

5. That October 10, 1934, be tentatively fixed as the date upon which constitutional rule shall commence; and

6. That all the people are to have freedom to organize political bodies to participate in political affairs, provided such actions do not endanger the Republic or violate the principles of *San-Min-Chu-I*, and that all citizens, with the exception of those in active military service whose suffrage is temporarily suspended, have the right to elect, and to be elected, delegates to the National Assembly.

IV *On the National Assembly*

Be it resolved:

1. That the First National Assembly be composed of delegates elected by the people in the provinces, territories, and municipalities in proportion to the population and by professional bodies in the said areas, and that the ratio of representation and the methods of election be determined by law through enactment of the Legislative Yuan not later than June 1933;

2. That the National Assembly be elected for a term of two years, that it be convened once a year for a one-month session, that when considered necessary it may be convened in extraordinary session for a fortnight, and that during the period of its adjournment its functions to be delegated and exercised by the Legislative Yuan and the Control Yuan, both to be elected by the National Assembly;

3. That the functions and powers of the National Assembly be the following:

a. To exercise sovereignty in the name of the entire people as the organ of supreme power;

b. To make and amend the constitution of the Republic;

c. To pass laws and the budget, to declare war and conclude peace and to decide on political, economic, and military matters of great importance;

d. To elect and constitute the Legislative Yuan and the Control Yuan;

e. To supervise, censure, and impeach the government; and

f. To supervise and promote the establishment of local self-government throughout the country; and

4. That the National Assembly be not subject to orders of dissolution or of interference of whatever nature, and that the delegates to the National Assembly be immune from arrest.

V *On the Provincial Assembly*

Be it resolved:

1. That prior to the convocation of the National Assembly the government shall cause the convening of the Provincial Assemblies in the various provinces in accordance with laws enacted by the Legislative Yuan prior to June 1933;

2. That the Provincial Assembly be elected annually to meet once a year for session of fifteen days, and that the term and function of its delegates shall cease immediately upon conclusion of its session.

3. That the functions and powers of the Provincial Assembly shall be the following:

a. To elect and constitute the Provincial Council, which shall participate in provincial affairs on behalf of the citizens of the province during the adjournment of the Provincial Assembly;

b. To decide on ways and means to hasten the enforcement of local self-government, to pass the provincial budget and provincial regulations and bylaws;

c. To act in the name of the people of the province in initiating impeachment proceedings against provincial administrative and judicial officers before the Control Yuan; and

d. To present to the Executive Yuan on behalf of the people of the province recommendations for reform and reconstruction as regards provincial administrative matters; and

4. That no taxes shall be levied, no provincial debenture bonds be issued, and no additional burdens be imposed on the people of the province by the provincial government without the approval and concurrence of the Provincial Assembly or the Provincial Council.

VI *On National Defense and Military Matters*

Be it resolved:

1. That a definite and practical plan for national defense be formulated with a certain neighboring power as the assumed enemy whom the nation will have to face, and that the minimum requirements for a defensive armament be provided for and secured;

2. That national defense shall be undertaken by the Central Government and peace preservation by local governments, that strategic zones be designated National Defense Areas while other sections of the country be designed Rehabilitation Areas, that rehabilitation work in the latter be completed within a definite time limit, and that both the defense and rehabilitation areas need not coincide with provincial boundaries;

3. That the peacetime strength of the National Army shall be fixed, that the division be made the largest peacetime unit of the Army, that a system of progressive conscription in military service be introduced, and that the peacetime military expenditures be limited to approximately one-third the total national budget:

4. That land, sea, and air forces be built up and fortifications and sea and air bases be developed in consonance with the aim and requirements of national defense, and that the criterion shall be qualitative rather than quantitative;

5. That the present armed forces shall be reorganized systematically up to the desired strength, with a view to reducing superfluous and redundant personnel, that the demobilized soldiers be transferred to the local peace-preservation corps and police force, or otherwise formed into labor battalions for work on land reclamation and river conservation projects;

6. That a coastal defense fleet composed of submarines and fast motor-torpedo boats shall be built, and that construction of all warships unsuitable for this purpose be stopped or converted into merchantmen;

7. That an air force adequate for defense needs shall be built up and organized at the earliest possible date;

8. That military and air force training schools be established under unified control;

9. That war industries be developed and operated under national administration, to be located in interior points safe from enemy attack;

10. That all military institutions of a private character be suppressed, reorganized or prohibited by law; and

11. That provisional military subcouncils be set up in lo-

calities to carry out military reforms and reorganizations under the direct orders of the Central Military Council.

APPENDIX C

*Final Draft of the Constitution of the Republic of China **

Preamble

By virtue of the mandate received from the whole body of citizens and in accordance with the bequeathed teachings of Dr. Sun Yat-sen, Founder of the Republic of China, the National Assembly of the Republic of China hereby ordains and enacts this Constitution and causes it to be promulgated throughout the land for faithful and perpetual observance by all.

CHAPTER I

GENERAL PROVISIONS

Article 1. The Republic of China is a *SAN-MIN-CHU-I* Republic.

Article 2. The sovereignty of the Republic of China is vested in the whole body of its citizens.

Article 3. Persons having acquired the nationality of the Republic of China are citizens of the Republic of China.

Article 4. The territory of the Republic of China consists of areas originally constituting Kiangsu, Chekiang, Anhwei, Kiangsi, Hupeh, Hunan, Szechwan, Sikang, Hopei, Shantung, Shansi, Honan, Shensi, Kansu, Chinghai, Fukien, Kwangtung, Kwangsi, Yunnan, Kweichow, Liaoning, Kirin, Heilungkiang, Jehol, Chahar, Suiyuan, Ninghsia, Sinkiang, Mongolia, and Tibet.

The territory of the Republic of China shall not be altered except by resolution of the National Assembly.

Article 5. All races of the Republic of China are component parts of the Chinese Nation and shall be equal.

Article 6. The National Flag of the Republic of China shall have a red background with a blue sky and white sun in the upper left corner.

* Drafted and revised by the Legislative Yuan, April 30, 1937, and released by the National Government on May 18, 1937.

Article 7. The National Capital of the Republic of China shall be at Nanking.

CHAPTER II

RIGHTS AND DUTIES OF THE CITIZENS

Article 8. All citizens of the Republic of China shall be equal before the law.

Article 9. Every citizen shall enjoy the liberty of the person. Except in accordance with law, no one may be arrested, detained, tried or punished.

When a citizen is arrested or detained on suspicion of having committed a criminal act, the authority responsible for such action shall immediately inform the citizen himself and his relatives of the cause for his arrest or detention and shall, within a period of twenty-four hours, send him to a competent court for trial. The citizens so arrested or detained, or any one else, may also petition the court to demand from the authority responsible for such action the surrender, within twenty-four hours, of his person to the court for trial.

The court shall not reject such a petition; nor shall the responsible authority refuse to execute such a writ as mentioned in the preceding paragraph.

Article 10. With the exception of those in active military service, no one may be subject to military jurisdiction.

Article 11. Every citizen shall have the freedom of domicile; no private abode may be forcibly entered, searched or sealed except in accordance with law.

Article 12. Every citizen shall have the freedom to change his residence; such freedom shall not be restricted except in accordance with law.

Article 13. Every citizen shall have the freedom of speech, writing and publication; such freedom shall not be restricted except in accordance with law.

Article 14. Every citizen shall have the freedom of secrecy of correspondence; such freedom shall not be restricted except in accordance with law.

Article 15. Every citizen shall have the freedom of religious belief; such freedom shall not be restricted except in accordance with law.

Article 16. Every citizen shall have the freedom of assembly and of forming associations; such freedom shall not be restricted except in accordance with law.

Article 17. No private property shall be requisitioned, expropriated, sealed or confiscated except in accordance with law.

Article 18. Every citizen shall have the right to present petitions, lodge complaints and institute legal proceedings in accordance with law.

Article 19. Every citizen shall have the right to exercise, in accordance with law, the powers of election, recall, initiative and referendum.

Article 20. Every citizen shall have the right to compete, in accordance with law, in state examinations.

Article 21. Every citizen shall, in accordance with law, be amenable to the duty of paying taxes.

Article 22. Every citizen shall, in accordance with law, be amenable to the duty of performing military service.

Article 23. Every citizen shall, in accordance with law, be amenable to the duty of rendering public service.

Article 24. All other liberties and rights of the citizens which are not detrimental to public peace and order or public welfare shall be guaranteed by the Constitution.

Article 25. Only laws imperative for safeguarding national security, averting national crisis, maintaining public peace and order or promoting public interest may restrict the citizens' liberties and rights.

Article 26. Any public functionary who illegally infringes upon any private liberty or right shall, besides being subject to disciplinary punishment, be responsible under criminal and civil law. The injured person may also, in accordance with law, claim indemnity from the State for damages sustained.

CHAPTER III

THE NATIONAL ASSEMBLY

Article 27. The National Assembly shall be constituted of delegates elected as follows:

1. Each district, municipality or area of an equivalent status shall elect one Delegate, but in case its population exceeds 300,000, one additional Delegate shall be elected for every additional 500,000 people. The status of areas to be equivalent to a district or municipality shall be defined by law.
2. The number of Delegates to be elected from Mongolia and Tibet shall be determined by law.
3. The number of Delegates to be elected by Chinese citizens residing abroad shall be determined by law.

Article 28. Delegates to the National Assembly shall be elected by universal, equal, and direct suffrage and by secret ballots.

Article 29. Citizens of the Republic of China having attained

the age of twenty years shall, in accordance with law, have the right to elect delegates. Citizens having attained the age of twenty-five years shall, in accordance with law, have the right to be elected delegates.

Article 30. The term of office of Delegates of the National Assembly shall be six years.

When a Delegate is found guilty of violation of a law or neglect of his duty, his constituency shall recall him in accordance with law.

Article 31. The National Assembly shall be convened by the President once every three years. Its session shall last one month but may be extended another month when necessary.

Extraordinary sessions of the National Assembly may be convened at the instance of two-fifths or more of its members.

The President may convene extraordinary sessions of the National Assembly.

The National Assembly shall meet at the place where the Central Government is.

Article 32. The powers and functions of the National Assembly shall be as follows:

1. To elect the President and Vice-President of the Republic, the President of the Legislative Yuan, the President of the Control Yuan, the Members of the Legislative Yuan and the Members of the Control Yuan.
2. To recall the President and Vice-President of the Republic, the President of the Legislative Yuan, the President of the Judicial Yuan, the President of the Examination Yuan, the President of the Control Yuan, the Members of the Legislative Yuan and the Members of the Control Yuan.
3. To initiate laws.
4. To hold referenda on laws.
5. To amend the Constitution.
6. To exercise such other powers as are conferred by the Constitution.

Article 33. Delegates to the National Assembly shall not be held responsible outside of Congress for opinions they may express and votes they may cast during the session of Assembly.

Article 34. Without the permission of the National Assembly, no delegate shall be arrested or detained during the session except when apprehended in *flagrante delicto*.

Article 35. The organization of the National Assembly and the election as well as recall of its Delegates shall be determined by law.

CHAPTER IV
THE CENTRAL GOVERNMENT

Section 1. The President

Article 36. The President is the Head of the State and represents the Republic of China in foreign relations.

Article 37. The President commands the land, sea and air forces of the whole country.

Article 38. The President shall, in accordance with law, promulgate laws and issue orders with the counter-signature of the President of the Yuan concerned.

Article 39. The President shall, in accordance with law, exercise the power of declaring war, negotiating peace and concluding treaties.

Article 40. The President shall, in accordance with law, declare and terminate a state of emergency.

Article 41. The President shall, in accordance with law, exercise the power of granting amnesties, special pardons, remission of sentences and restoration of civil rights.

Article 42. The President shall, in accordance with law, appoint and remove civil and military officials.

Article 43. The President shall, in accordance with law, confer honors and award decorations.

Article 44. In case the State is confronted with an emergency, or the economic life of the State meets with a grave danger which calls for immediate action, the President, following the resolution of the Executive Meeting, may issue orders of emergency and do whatever is necessary to cope with the situation, provided that he shall submit his action to the ratification of the Legislative Yuan within three months after the issuance of the orders.

Article 45. The President may call meetings of the Presidents of the five Yuan to confer on matters relating to two or more Yuan, or on such matters as the President may bring out for consultation.

Article 46. The President shall be responsible to the National Assembly.

Article 47. Citizens of the Republic of China, having attained the age of forty years, may be elected President or Vice-President of the Republic.

Article 48. The election of the President and Vice-President shall be provided for by law.

Article 49. The President and Vice-President shall hold office for a term of six years and may be re-elected for a second term.

Article 50. The President shall, on the day of his inauguration, take the following oath:

"I do solemnly and sincerely swear before the people that I will observe the Constitution, faithfully perform my duties, promote the welfare of the People, safeguard the security of the State and be loyal to the trust of the people. Should I break my oath, I will submit myself to the most severe punishment the law may provide."

Article 51. When the Presidency is vacant, the Vice-President shall succeed to the office.

When the President is for some reason unable to attend to his duties, the Vice-President shall act for him. If both the President and Vice-President are incapacitated, the President of the Executive Yuan shall discharge the duties of the President's office.

Article 52. The President shall retire from office on the day his term expires. If by that time a new President has not been inducted into office, the President of the Executive Yuan shall discharge the duties of the President's office.

Article 53. The period for the President of the Executive Yuan to discharge the duties of the President's office shall not exceed six months.

Article 54. Except in case of an offense against the internal or external security of the State, the President shall not be liable to criminal prosecution until he has been recalled or has retired from office.

Section 2. The Executive Yuan

Article 55. The Executive Yuan is the highest organ through which the Central Government exercises its executive powers.

Article 56. In the Executive Yuan there shall be a President, a Vice-President and a number of Executive Members, to be appointed and removed by the President.

The Executive Members mentioned in the preceding paragraph who do not take charge of Ministries or Commissions shall not exceed half of those who are in charge of Ministries or Commissions as provided in the first paragraph of Article 58.

Article 57. In the Executive Yuan, there shall be various Ministries and Commissions which shall separately exercise their respective executive powers.

Article 58. The Ministers of the various Ministries and the Chairman of the various Commissions shall be appointed by the President from among the Executive Members.

The President and the Vice-President of the Executive Yuan may act concurrently as Minister or Chairman mentioned in the preceding paragraph.

Article 59. The President of the Executive Yuan, the Executive Members, the Ministers of the various Ministries and the Chairmen of the various commissions shall be individually responsible to the President.

Article 60. In the Executive Yuan there shall be executive Meetings composed of the President, the President of the Executive Yuan, and the Executive Members, to be presided over by the President. In case the President is unable to be present, the President of the Executive Yuan shall preside.

Article 61. The following matters shall be decided at an Executive Meeting:

1. Statutory and budgetary bills to be submitted to the Legislative Yuan.
2. Bills concerning a state of emergency and special pardons to be submitted to the Legislative Yuan.
3. Bills concerning declaration of war, negotiation of peace, conclusion of treaties and other important international affairs to be submitted to the Legislative Yuan.
4. Matters of common concern to the various Ministries and Commissions.
5. Matters submitted by the President.
6. Matters submitted by the President of the Executive Yuan, the Executive Members, the various Ministries and Commissions.

Article 62. The organization of the Executive Yuan shall be determined by law.

Section 3. The Legislative Yuan

Article 63. The Legislative Yuan is the highest organ through which the Central Government exercises its legislative powers. It shall be responsible to the National Assembly.

Article 64. The Legislative Yuan shall have the power to decide on measures concerning legislation, budgets, a state of emergency, special pardons, declaration of war, negotiation of peace, conclusion of treaties and other important international affairs.

Article 65. In the discharge of its duties the Legislative Yuan may interrogate the various Yuan, Ministries and Commissions.

Article 66. In the Legislative Yuan there shall be a President and Vice-President who shall hold office for a term of three years and may be eligible for re-election.

Article 67. In regard to the election of Members of the Legislative Yuan, the Delegates of various provinces, Mongolia, Tibet, and of citizens residing abroad, to the National Assembly shall separately hold a preliminary election to nominate their respec-

tive candidates and submit a list of their names to the Congress for election. The candidates are not confined to the Delegates to the National Assembly. The respective number of candidates shall be proportioned as follows:

1. A province with a population of less than 5,000,000 shall nominate four candidates. A province with a population of more than 5,000,000 but less than 10,000,000 shall nominate six candidates. A province with a population of more than 10,000,000 but less than 15,000,000 shall nominate eight candidates. A province with a population of more than 15,000,000 but less than 20,000,000 shall nominate ten candidates. A province with a population of more than 20,000,000 but less than 25,000,000 shall nominate twelve candidates. A province with a population of more than 25,000,000 but less than 30,000,000 shall nominate fourteen candidates. A province with a population of more than 30,000,000 shall nominate sixteen candidates.
2. Mongolia and Tibet shall each nominate eight candidates.
3. Citizens residing abroad shall nominate eight candidates.

Article 68. Members of the Legislative Yuan shall hold office for a term of three years and may be eligible for re-election.

Article 69. The Executive Yuan, Judicial Yuan, Examination Yuan, and Control Yuan may submit to the Legislative Yuan measures concerning matters within their respective jurisdiction.

Article 70. The President may, before the promulgation or execution of a legislative measure, request the Legislative Yuan to reconsider it.

If the Legislative Yuan, with regard to the request for consideration, should decide to maintain the original measure by a two-thirds vote of the Members present, the President shall promulgate or execute it without delay; provided that in case of a bill of law or a treaty, the President may submit it to the National Assembly for a referendum.

Article 71. The President shall promulgate a measure presented by the Legislative Yuan for promulgation within thirty days after its receipt.

Article 72. Members of the Legislative Yuan shall not be held responsible outside of the said Yuan for opinions they may express and votes they may cast during its session.

Article 73. Without the permission of the Legislative Yuan, no member may be arrested or detained except when apprehended in *flagrante delicto*.

Article 74. No member of the Legislative Yuan may concurrently hold any other public office or engage in any business or profession.

Article 75. The election of Members of the Legislative Yuan and the organization of the Legislative Yuan shall be determined by law.

Section 4. The Judicial Yuan

Article 76. The Judicial Yuan is the highest organ through which the Central Government exercises its judicial powers. It shall attend to the adjudication of civil, criminal and administrative suits, the discipline and punishment of public functionaries and judicial administration.

Article 77. In the Judicial Yuan there shall be a President and Vice-President who shall hold office for a term of three years, to be appointed by the President.

The President of the Judicial Yuan shall be responsible to the National Assembly.

Article 78. Matters concerning special pardons, remission of sentences and restoration of civil rights shall be submitted to the President for action by the President of the Judicial Yuan in accordance with law.

Article 79. The Judicial Yuan shall have the power to unify the interpretation of statutes and ordinances.

Article 80. Judicial officials shall, in accordance with law, have perfect independence in the conduct of trials.

Article 81. No judicial official may be removed from office unless he has been subject to criminal or disciplinary punishment or declared an interdicted person; nor may a judicial official be suspended or transferred, or have his salary reduced except in accordance with law.

Article 82. The organization of the Judicial Yuan and the various Courts of Justice shall be determined by law.

Section 5. The Examination Yuan

Article 83. The Examination Yuan is the highest organ through which the Central Government exercises its examination powers. It shall attend to the selection of civil-service candidates by examination and to the registration of persons qualified for public service.

Article 84. In the Examination Yuan there shall be a President who shall hold office for a term of three years, to be appointed by the President.

The President of the Examination Yuan shall be responsible to the National Assembly.

Article 85. The Examination Yuan shall, in accordance with

law, by examination and registration determine the following qualifications:

1. For appointment as a public functionary.
2. For candidacy to public office.
3. For practice in specialized professions and as technical experts.

Article 86. The organization of the Examination Yuan shall be determined by law.

Section 6. The Control Yuan

Article 87. The Control Yuan is the highest organ through which the Central Government exercises its control powers. It shall attend to impeachment and auditing and be responsible to the National Assembly.

Article 88. In the discharge of its control powers, the Control Yuan may, in accordance with law, interrogate the various Yuan, Ministries and Commissions.

Article 89. In the Control Yuan there shall be a President and a Vice-President who shall hold office for a term of three years and may be eligible for re-election.

Article 90. Members of the Control Yuan shall be elected by the National Assembly, from candidates separately nominated by the Delegates of the various provinces, Mongolia, Tibet and Chinese citizens residing abroad. Each group of Delegates shall nominate two candidates. The candidates are not confined to Delegates to the Congress.

Article 91. Members of the Control Yuan shall hold office for a term of four years and may be eligible for re-election.

Article 92. When the Control Yuan finds a public functionary in the Central or Local Government guilty of violation of a law or neglect of his duty, an impeachment may be instituted upon the proposal of one or more Members and the indorsement, after due investigation, of five or more Members. Impeachment against the President or Vice-President, the President of the Executive Yuan, Legislative Yuan, Judicial Yuan, Examination Yuan or Control Yuan may be instituted only upon the proposal of ten or more Members and the indorsements, after due investigation, of one-half or more of the Members of the entire Yuan.

Article 93. When an impeachment is instituted against the President or Vice-President or the President of the Executive Yuan, Legislative Yuan, Judicial Yuan, Examination Yuan or Control Yuan in accordance with the preceding Article, it shall be brought before the National Assembly. During the adjournment of the National Assembly, the Delegates shall be requested

to convene in accordance with law an extraordinary session to decide whether the impeached shall be removed from office.

Article 94. Members of the Control Yuan shall not be held responsible outside of the said Yuan for opinions they may express and votes they may cast while discharging their duties.

Article 95. Without the permission of the Control Yuan, no Member of the Control Yuan may be arrested or detained except when apprehended in *flagrante delicto*.

Article 96. No member of the Control Yuan may concurrently hold any other public office or engage in any business or profession.

Article 97. The election of the Members of the Control Yuan and the organization of the Control Yuan shall be determined by law.

CHAPTER V

THE LOCAL INSTITUTIONS

Section 1. The Provinces

Article 98. In the Province, there shall be a Provincial Government which shall execute the laws and orders of the Central Government and supervise local self-government.

Article 99. In the Provincial Government there shall be a Governor who shall hold office for a term of three years. He shall be appointed and removed by the Central Government.

Article 100. In the province, there shall be a Provincial Assembly which shall be composed of one member from each district or municipality to be elected by the district or municipal council. Members of the Provincial Assembly shall hold office for a term of three years and may be eligible for re-election.

Article 101. The organization of the Provincial Government and the Provincial Assembly, as well as the election and recall of the Members of the Provincial Assembly shall be determined by law.

Article 102. The government of areas not yet established as provinces shall be determined by law.

Section 2. The Districts

Article 103. The district is a unit of local self-government.

Article 104. All matters that are local in nature are within the scope of local self-government.

The scope of local self-government shall be determined by law.

Article 105. Citizens of the district shall, in accordance with

law, exercise the powers of initiative and referendum in matters concerning district self-government, as well as the powers of election and recall of the District Magistrate and other elective officials in the service of district self-government.

Article 106. In the district, there shall be a District Council, the members of which shall be directly elected by the citizens in the District General Meeting. Members of the District Council shall hold office for a term of three years and may be eligible for re-election.

Article 107. District ordinances and regulations which are in conflict with the laws and ordinances of the Central or Provincial Government shall be null and void.

Article 108. In the district there shall be a District Government with a District Magistrate who shall be elected by the citizens in the District General Meeting. The Magistrate shall hold office for a term of three years and may be eligible for re-election.

Only those persons found qualified in the public examinations held by the Central Government or adjudged qualified by the Ministry of Public Service Registration may be candidates for the office of District Magistrate.

Article 109. The District Magistrate shall administer the affairs of the district in accordance with the principles of self-government and, under the direction of the Provincial Governor, execute matters assigned by the Central and Provincial Governments.

Article 110. The organization of the District Council and District Government as well as the election and recall of the District Magistrate and the Members of the District Council shall be determined by law.

Section 3. The Municipalities

Article 111. Unless otherwise provided by law, the provisions governing self-government and administration of the district shall apply *mutatis mutandis* to the municipality.

Article 112. In the municipality, there shall be a Municipal Council, the Members of which shall be directly elected by the citizens in the Municipal General Meeting. One-third of the Members shall retire and be replaced by election annually.

Article 113. In the municipality, there shall be a Municipal Government with a Mayor to be directly elected by the citizens in the Municipal General Meeting. He shall hold office for a term of three years and may be eligible for re-election.

Only those persons found qualified in the public examination held by the Central Government or adjudged qualified by the

Ministry of Public Service Registration may be candidates for the office of Mayor.

Article 114. The Mayor shall administer the affairs of the municipality in accordance with the principles of municipal self-government and, under direction of the competent supervising authority, execute matters assigned by the Central or Provincial Government.

Article 115. The organization of the Municipal Council and Municipal Government as well as the election and recall of the Members of the Municipal Council and the Mayor shall be determined by law.

CHAPTER VI

NATIONAL ECONOMIC LIFE

Article 116. The economic system of the Republic of China shall be based upon the *Min-Seng-Chu-I* (Principle of Livelihood) and shall aim at national economic sufficiency and equality.

Article 117. The land within the territorial limits of the Republic of China belongs to the people as a whole. Any part thereof the ownership of which has been lawfully acquired by an individual or individuals shall be protected by, and subject to the restrictions of law.

The State may, in accordance with law, tax or expropriate private land on the basis of the value declared by the owner or assessed by the Government.

Every land-owner is amenable to the duty of utilizing his land to the fullest extent.

Article 118. All subterranean minerals and natural forces which are economically utilizable for public benefit belong to the State and shall not be affected by private ownership of the land.

Article 119. The unearned increment shall be taxed by means of a land-value-increment tax and devoted to public benefit.

Article 120. In readjusting the distribution of land, the State shall be guided by the principle of aiding and protecting the land-owning farmers and the land-utilizing owners.

Article 121. The State may, in accordance with law, regulate private wealth and enterprises when such wealth and enterprises are considered detrimental to the balanced development of national economic life.

Article 122. The State shall encourage, guide and protect the citizens' productive enterprises and the nation's foreign trade.

Article 123. All public utilities and enterprises of a monopoly

listic nature shall be operated by the State; except in case of necessity when the State may specially permit private operation.

The private enterprises mentioned in the preceding paragraph may, in case of emergency for national defense, be temporarily managed by the State. The State may also, in accordance with law, take them over for permanent operation upon payment of due compensation.

Article 124. In order to improve the workers' living conditions, increase their productive ability and relieve unemployment, the State shall enforce labor-protective policies.

Women and children shall be afforded special protection in accordance with their age and physical condition.

Article 125. Labor and capital shall, in accordance with the principles of mutual help and co-operation, develop together productive enterprises.

Article 126. In order to promote agricultural development and the welfare of the farming population, the State shall improve rural economic and living conditions and increase farming efficiency by employment of scientific farming.

The State may regulate the production and distribution of agricultural products, in kind and quantity.

Article 127. The State shall accord due relief or compensation to those who suffer disability or loss of life in the performance of military or public services.

Article 128. The State shall give suitable relief to the aged, feeble, or disabled who are incapable of earning a living.

Article 129. While the following powers appertain to the Legislative Yuan in the case of the Central Government, they may be exercised by the legally designated organ if, in accordance with law, such matters may be effected independently by a province, district or municipality:

1. To impose or alter the rate of taxes and levies, fines, penalties, or other imposts of a compulsory nature.
2. To raise public loans, dispose of public property or conclude contracts which increase the burden of the public treasury.
3. To establish or cancel public enterprises, monopolies, franchises or any other profit making enterprise.
4. To grant or cancel public enterprises, monopolies, franchises or any other special privileges.

Unless specially authorized by law, the government of a province, district, or municipality shall not raise foreign loans or directly utilize foreign capital.

Article 130. Within the territorial limits of the Republic of

China all goods shall be permitted to circulate freely. They shall not be seized or detained except in accordance with law.

Customs duty is a Central Government revenue. It shall be collected only once when the goods enter or leave the country.

The various grades of government shall not collect any dues on goods in transit within the country, with the exception of tolls levied for the purpose of improving the waterways and roads, on vessels and vehicles making use of them.

The right to impose taxes and levies on goods belongs to the Central Government and shall not be exercised except in accordance with law.

CHAPTER VII

EDUCATION

Article 131. The educational aim of the Republic of China shall be to develop a national spirit, to cultivate a national morality, to train the people for self-government and to increase their ability to earn a livelihood, and thereby to build up a sound and healthy body of citizens.

Article 132. Every citizen of the Republic of China shall have an equal opportunity to receive education.

Article 133. All public and private educational institutions in the country shall be subject to State supervision and amenable to the duty of carrying out the educational policies formulated by the State.

Article 134. Children between six and twelve years of age are of school age and shall receive elementary education free of tuition. Detailed provision shall be provided by law.

Article 135. All persons over school age who have not received an elementary education shall receive supplementary education free of tuition. Detailed provisions shall be provided by law.

Article 136. In establishing universities and technical schools, the State shall give special consideration to the needs of the respective localities so as to afford the people thereof an equal opportunity to receive higher education, thereby hastening a balanced national cultural development.

Article 137. Education appropriations shall constitute no less than fifteen per cent of the total amount of the budget of the Central Government and no less than thirty per cent of the total amount of the provincial, district and municipal budgets respectively. Educational endowment funds independently set aside in accordance with law shall be safeguarded.

Educational expenditures in needy provinces shall be subsidized by the central treasury.

Article 138. The State shall encourage and subsidize the following enterprises or citizens:

1. Private educational institutions with a high record of achievement.
2. Education for Chinese citizens residing abroad.
3. Discoverers or inventors in academic or technical fields.
4. Teachers or administrative officers of educational institutions having good records and long service.
5. Students of high records and good character who are unable to pursue further studies.

CHAPTER VIII

THE ENFORCEMENT AND AMENDMENT OF THE CONSTITUTION

Article 139. The term "law" as used in the Constitution means that which has been passed by the Legislative Yuan and promulgated by the President.

Article 140. Laws in conflict with the Constitution are null and void.

The question whether a law is in conflict with the Constitution shall be settled by the Control Yuan, submitting the point to the Judicial Yuan for interpretation within six months after its enforcement.

Article 141. Administrative orders in conflict with the Constitution or laws are null and void.

Article 142. The interpretation of the Constitution shall be done by the Judicial Yuan.

Article 143. Before half or more of the provinces and territories have completed the work of local self-government, the Members of the Legislative Yuan and of the Control Yuan shall be elected and appointed in accordance with the following provisions:

1. The Members of the Legislative Yuan: The Delegates of the various provinces, Mongolia, Tibet, and of the citizens residing abroad, to the National Assembly shall separately hold a preliminary election to nominate half of the number of the candidates as determined in Article 67 and submit their list to the National Assembly for election. The other half shall be nominated by the President of the Legislative Yuan for appointment by the President.

The Members of the Control Yuan: The Delegates of the various provinces, Mongolia, Tibet, and of the citizens residing abroad, to the National Assembly shall separately hold a preliminary election to nominate half of the num-

ber of candidates as determined in Article 90 and submit their list to the National Assembly for election. The other half shall be nominated by the President of the Control Yuan for appointment by the President.

Article 144. The Magistrates of districts where the work of self-government is not yet completed shall be appointed and removed by the Central Government.

The preceding paragraph is applicable *mutatis mutandis* to those municipalities where the work of self-government is not yet completed.

Article 145. The methods and procedure of helping the establishment of local self-government shall be determined by law.

Article 146. No amendment to the Constitution may be made unless it shall have been proposed by over one-fourth of the delegates to the National Assembly and passed by at least two-thirds of the delegates present at a meeting having a quorum of over three-fourths of the entire Congress.

A proposed amendment to the Constitution shall be made public by the proposer or proposers one year before the assembling of the National Assembly.

Article 147. In regard to those provisions of the Constitution which require further procedure for their enforcement, such necessary procedure shall be determined by law.

APPENDIX D

*Guiding Principles for Armed Resistance and National Reconstruction **

The Kuomintang is leading the entire nation in carrying on armed resistance and National reconstruction. Success in both tasks will require not only the concerted efforts of members of this Party but also the acceptance of responsibility by the people as a whole in a united endeavor. Consequently, this Party has deemed it necessary to call on the people to abandon their prejudices and sink their differences in favor of oneness of purpose and unity in action. For this particular reason, at its Extraordinary National Congress, this Party has formulated and adopted various principles governing foreign relations, military affairs,

* Adopted by the Extraordinary Kuomintang National Congress, Hankow, April 1, 1938.

politics, economic affairs, mass movement, and education, and caused their promulgation for general observance so that the nation's strength may be concentrated and general mobilization may be attained. These principles are as follows:

I. General Provisions

1. The Three People's Principles and other teachings bequeathed by Tsungli [Dr. Sun Yat-sen] are hereby declared as the highest authority regulating all war activities and the work of national reconstruction.

2. The nation's war strength shall be centralized under the leadership of this Party and of Generalissimo Chiang Kai-Shek in order to make possible the fullest progress.

II. Foreign Relations

3. In accordance with the spirit of independence and sovereignty, China is prepared to ally herself with all nations and peoples who sympathize with her cause, and to wage a common struggle for peace and justice.

4. China is prepared to exert her utmost to uphold and increase the authority of any international peace structure, as well as all treaties and conventions which aim at safeguarding world peace.

5. China is prepared to ally herself with all forces opposed to Japanese imperialism in order to check Japanese aggression and to establish and maintain lasting peace in East Asia.

6. China is prepared to improve still further the existing friendly relations with various nations in order to win greater sympathy for her cause.

7. All puppet political organizations which Japan has set up in Chinese territory now under her military occupation, and all their actions, both internal and external, are hereby declared null and void.

III. Military Affairs

8. Political training in the Army shall be intensified in order to familiarize all officers and men with the meaning of armed resistance and national reconstruction and to make them, one and all, ready to lay down their lives for the nation.

9. All able-bodied citizens shall be trained: the people's military ability for self-defense shall be strengthened; military units engaged in war shall be reinforced; and overseas Chinese who have returned to offer their services at the front shall be given

special training in the light of their skills and abilities to fit them for participation in the defense of their fatherland.

10. People in various localities who have their own arms shall receive direction and support from the Government; under the command of the various war area commanders, they shall cooperate with the regular troops in military operations for the defense of their homeland against external foes, and also for the purpose of starting widespread guerrilla warfare in the enemy's rear in order to destroy and harass enemy forces.

11. In order to heighten military morale and raise the people's enthusiasm for national mobilization, both the wounded and dependants of the killed shall be looked after, the disabled shall be rehabilitated, the families of soldiers shall be given preferential consideration.

IV. *Politics*

12. Popular organs shall be set up for the people to participate in affairs of state, thereby unifying the national strength and collecting the best minds and views for facilitating the formulation and execution of national policies.

13. The *hsien* (county) shall be taken as the basic unit in which self-defense organizations shall be strengthened through training the people and increasing their power, and in which conditions for local self-government shall be fulfilled as soon as possible in order to provide a strong political and social foundation during wartime and to pave the way for constitutional rule.

14. There shall be a thorough reform in the machinery of all grades of government for purposes of simplification and rationalization, and administrative efficiency shall be enhanced in order to meet the needs of war.

15. The conduct of officials of all ranks shall conform to rules; they shall be dutiful, ready to sacrifice themselves for the country, observe discipline and obey orders so that they may serve as models for the people; those disloyal to their duty and who obstruct the prosecution of the war shall be court-martialed.

16. Corrupt officials shall be severely punished and their property confiscated.

V. *Economic Affairs*

17. Economic reconstruction shall concern itself mainly with matters of military importance and, in addition, with matters that contribute to the improvement of the people's livelihood. With these objects in view, a planned economy shall be put into operation, investments by people both at home and abroad shall be

encouraged, and large-scale wartime production shall be undertaken.

18. The greatest measure of energy shall be devoted to the development of rural economy, the encouragement of co-operative enterprises, the regulation of foodstuffs with regard to their demand and supply, the cultivation of wasteland and the improvement of irrigation works.

19. Mining shall be undertaken, the foundations for heavy industries shall be laid, light industries shall be encouraged, and handicraft industries in the various provinces shall be developed.

20. Wartime taxes shall be levied and the financial administration shall be thoroughly reformed.

21. The banking business shall be controlled so that industrial and commercial activities may be properly adjusted.

22. The position of *fapi* (legal tender) shall be fortified, foreign exchange shall be controlled and imports and exports regulated, all for the sake of financial stability.

23. The communication systems shall be reorganized; connecting transportation by waterways, overland routes and airways shall be instituted; more railways and highways shall be built and more airlines opened.

24. No hoarding, speculation, and manipulation shall be allowed, and a system of price stabilization shall be enforced.

VI. Mass Movement

25. The people throughout the country shall be aroused and organized into occupational groups such as unions of farmers, laborers, merchants and students. The rich shall be asked to contribute in money and the able-bodied shall contribute in labor service. All classes of people shall be mobilized for the war.

26. The freedom of speech, the freedom of the press and the freedom of assembly shall be fully protected by law, in the course of the war, provided they do not contravene the *San-Min-Chu-I*, which are the nation's highest principles and provided they are within the scope of law and order.

27. Refugees from the war areas and unemployed people shall receive relief and shall be organized and trained so that their services may be available for the war.

28. The people's national consciousness shall be promoted so that they may assist the Government in eradicating reactionaries. Traitors shall be severely punished and their property confiscated in accordance with law.

29. Both the educational system and teaching material shall be revised. A problem of wartime education shall be instituted



with emphasis on the cultivation of the people's morals, and the enhancement of scientific research and the expansion of necessary facilities.

30. Technical personnel of all kinds shall be trained and given proper assignment in order to meet the needs of war.

31. Youths shall be given training to enable them to work in the war areas or rural districts.

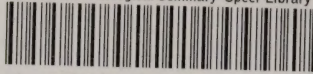
32. Women shall be given training so that they may be of service to social enterprises and thereby of help to the nation's war strength.

Date Due

			
Ap 30 '45			
Ag 28 '45			
Ja 7 '46			
			

DS777.53 .S95
China looks forward

Princeton Theological Seminary-Speer Library



1 1012 00135 4440